

WEST YORKSHIRE COMBINED AUTHORITY

**MEETING TO BE HELD AT 11.00 AM ON THURSDAY, 13 DECEMBER
2018 IN COMMITTEE ROOM A, WELLINGTON HOUSE, 40-50
WELLINGTON STREET, LEEDS**

A G E N D A

1. APOLOGIES FOR ABSENCE

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.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

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

1. To highlight Appendix 3 to Agenda Item 6 and Appendix 1 to Agenda Item 14 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' recommendation in respect of the above information as set out in paragraph 5.2 of Agenda Item 6 and paragraph 5.1 of Agenda Item 14.
3. If the recommendation is accepted, to formally pass the following resolution:-

RESOLVED – That in accordance with paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, the public be excluded from the meeting

during consideration of Appendix 3 to Agenda Item 6 and Appendix 1 to Agenda Item 14 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.

4. MINUTES OF THE MEETING OF THE COMBINED AUTHORITY HELD ON 11 OCTOBER 2018

(Pages 1 - 12)

For Decision

5. BREXIT/AUTUMN BUDGET IMPLICATIONS

(Member lead: Cllr S Hinchcliffe, Director: Alan Reiss)

(Pages 13 - 22)

6. CAPITAL SPENDING AND PROJECT APPROVALS (CONSIDERED AT INVESTMENT COMMITTEE ON 7 NOVEMBER 2018)

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

(Pages 23 - 88)

7. CAPITAL SPENDING AND PROJECT APPROVALS (TO BE CONSIDERED AT INVESTMENT COMMITTEE ON 5 DECEMBER 2018)

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

(Pages 89 - 148)

8. PLANNING FOR GROWTH: THE LEEDS CITY REGION CONNECTIVITY STRATEGY

(Member lead: Cllr K Groves, Director: Alan Reiss)

(Pages 149 - 170)

9. TRANSFORMING CITIES FUND

(Member lead: Cllr K Groves, Director: Alan Reiss)

(Pages 171 - 176)

10. POLICY DEVELOPMENTS

(Member lead: Roger Marsh, Director: Alan Reiss)

(Pages 177 - 196)

11. STATEMENT OF COMMON GROUND AND STRATEGIC PLANNING REVIEW

(Member lead: Cllr T Swift, Director: Alan Reiss)

(Pages 197 - 224)

12. DRAFT BUSINESS PLAN AND BUDGET 2019/20

(Member lead: Cllr S Hinchcliffe, Director: Angela Taylor)
(Pages 225 - 290)

13. CORPORATE DEVELOPMENTS

(Member lead: Cllr S Hinchcliffe, Director: Angela Taylor)
(Pages 291 - 328)

14. EUROPEAN STRUCTURAL AND INVESTMENT FUNDS (ESIF) - SUSTAINABLE URBAN DEVELOPMENT (SUD)

(Member lead: Cllr P Box, Director: Angela Taylor)
(Pages 329 - 334)

For Information

15. LEP REVIEW OUTCOME

(Member lead: Roger Marsh, Director: Alan Reiss)
(Pages 335 - 342)

16. MINUTES FOR INFORMATION

(a) MINUTES OF THE INCLUSIVE GROWTH AND PUBLIC POLICY PANEL HELD ON 4 SEPTEMBER 2018

(Pages 343 - 348)

(b) MINUTES OF THE BUSINESS INNOVATION & GROWTH PANEL HELD ON 13 SEPTEMBER 2018

(Pages 349 - 354)

(c) MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE HELD ON 14 SEPTEMBER 2018

(Pages 355 - 364)

(d) DRAFT MINUTES OF THE GREEN ECONOMY PANEL HELD ON 23 OCTOBER 2018

(Pages 365 - 370)

(e) DRAFT MINUTES OF THE PLACE PANEL HELD ON 24 OCTOBER 2018

(Pages 371 - 378)

(f) DRAFT MINUTES OF THE GOVERNANCE & AUDIT COMMITTEE HELD ON 1 NOVEMBER 2018

(Pages 379 - 384)

(g) DRAFT MINUTES OF THE WEST YORKSHIRE & YORK INVESTMENT COMMITTEE HELD ON 7 NOVEMBER 2018

(Pages 385 - 396)

Signed:



**Managing Director
West Yorkshire Combined Authority**



**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY, 11 OCTOBER 2018 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Councillor Susan Hinchcliffe (Chair)	Bradford Council
Councillor Judith Blake CBE	Leeds City Council
Councillor Peter Box CBE	Wakefield Council
Councillor Barry Collins (Substitute)	Calderdale Council
Councillor Stewart Golton	Leeds City Council
Councillor David Hall	Kirklees 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

In attendance:

Councillor Robert Light	Chair, Overview & Scrutiny Committee
Richard Thorpe	Ministry of Housing, Communities & Local Government (minute 54 only)
Ben Still	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Dave Pearson	West Yorkshire Combined Authority
Caroline Allen	West Yorkshire Combined Authority
Heather Waddington	West Yorkshire Combined Authority (minute 54 only)
Jacqui Warren	West Yorkshire Combined Authority (minute 54 only)
Seamus McDonnell	West Yorkshire Combined Authority (minute 54 only)
Ruth Chaplin	West Yorkshire Combined Authority

42. Apologies for Absence

Apologies for absence were received from Councillor Tim Swift.

43. Declarations of Disclosable Pecuniary Interests

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

44. Exempt Information - Possible Exclusion of the Press and Public

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 the appendices to Agenda Items 11 and 13 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 to Schedule 12A to the Local Government Act 1972, the public be excluded during consideration of Appendices 1 & 2 to Agenda Item 12 on the grounds that they contain 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 interests in maintaining the content of the appendices as exempt outweighs the public interest in disclosing the information as publication could prejudice legal proceedings.

45. Minutes of the Meeting of the Combined Authority held on 2 August 2018

Resolved: That the minutes of the meeting of the West Yorkshire Combined Authority held on 2 August 2018 be approved and signed by the Chair.

46. 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:

- Warm Homes Fund round 2a
- Calderdale multi-modal transport model
- Superfast Broadband West Yorkshire and York – Contract 3
- Corridor Improvement Programme Phase 1 – A62 Smart Corridor
- Glasshoughton southern link road

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

Members also considered expenditure approvals for the Business Growth Programme and Resources Efficiency Fund which were detailed in the submitted report.

Resolved:

(a) In respect of Warm Homes Fund round 2a -

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

- (i) That the Warm Homes Fund phase 2a proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs):
- (ii) That an indicative approval is given to the total project value of £4.688 million and the Combined Authority funding contribution of £3.451 million 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 local authority partners, social housing providers and with private sector match funding on a case by case basis.
- (iii) That future approvals are made in accordance with the assurance 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.

(b) In respect of Calderdale multi-modal transport model -

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

- (i) That the Calderdale Multi-Modal Model project proceeds through decision point 2 (case paper) and work commences on activity 5 (full business case with finalised costs).
- (ii) That an indicative approval is given to the West Yorkshire Combined Authority's contribution of £389,000 (which will be funded through £64,000 from the West Yorkshire plus Transport Fund and £325,000 from the other Transport Fund projects which are already approved) 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 £629,000.
- (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 through a delegation to

West Yorkshire Combined Authority's Managing Director following a recommendation by West Yorkshire 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 Superfast Broadband West Yorkshire and York – Contract 3 -

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

- (i) That the superfast broadband contract 3 project proceeds through decision point 2 (case paper) and work commences on activity 5 (full business case with finalised costs).
- (ii) That an indicative approval is given to the total project value of £16.428 million from the funding sources outlined in the submitted report for which the Combined Authority is the accountable body, 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 is given to reallocate all or part of the BET Refund funding from Contract 2 to Contract 3 as actioned at decision point 5 full business case with costs.
- (iv) That development costs of £120,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs).
- (v) That the Combined Authority enter into a Service Level Agreement/Funding Agreement if required with Leeds City Council for expenditure up to £120,000 development funding.
- (vi) 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.

- (d) In respect of the Corridor Improvement Programme – A62 Smart Corridor -

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

- (i) That the A62 Smart Corridor Phase 1 project proceeds through decision point 3 and work commences on activity 4 (full business case).
 - (ii) That an indicative approval is given to the total project value of £8.756 million and the Combined Authority contribution (from the West Yorkshire plus Transport Fund) of £7.906 million (£406,000 increase from approved expression of interest scheme total) 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 £850,000 of ESIF funding yet to be confirmed.
 - (iii) That development costs of £605,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs), and that the Combined Authority issue an addendum to the existing funding agreement with Kirklees Council for expenditure of up to £605,000 from the West Yorkshire plus Transport Fund taking the total approval to £855,000.
 - (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.
- (e) In respect of Glasshoughton Southern Link Road -

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

- (i) That the Glasshoughton Southern Link Road 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 total project value of £7.320 million is given 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 development costs of £245,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs), taking the total project approval to £978,000.
- (iv) That the Combined Authority enters into an addendum to the existing funding agreement with Wakefield Council for additional expenditure of up to £245,000 from the West

Yorkshire plus Transport Fund. This takes the total funding agreement amount to £978,000.

- (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 Combined Authority's Programme Appraisal Team.

- (f) In respect of the Business Growth Fund -

That the Combined Authority approves additional expenditure of £4 million for the Business Growth Programme funded through the Local Growth Fund taking the total approval to £27 million.

- (g) In respect of the Resource Efficiency Fund -

That the Combined Authority confirms approval of the total scheme costs of £1.984 million for the Resource Efficiency fund comprising £840,000 Local Growth Fund (LGF) and £1.144 million European Regional Development Fund (ERDF).

47. Budget Planning 2019/20

The Combined Authority considered a report of the Director of Resources which provided a further update on the business planning process and revenue budget planning for 2019/20.

The ongoing work in respect of the draft 2019/20 budget and progressing the business planning process was noted. The timetable and issues to be addressed in updating the draft budget were outlined in the submitted report and Members were advised that further work is being undertaken to review and clarify the figures. A detailed budget proposal will be brought to the next meeting and public engagement on the budget will take place over the Autumn.

Resolved: That the report be noted.

48. Leeds City Region Brexit Resilience and Opportunities Assessment

The Combined Authority considered a report of the Interim Director of Policy and Strategy on Leeds City Region Brexit resilience and opportunities assessment.

Members noted the progress on the work being undertaken to prepare and support the City Region's business and communities ahead of the UK's withdrawal from the EU. They discussed the need to support local small and medium sized enterprises (SMEs), particularly in respect of training to fill the skills gaps and the new employment opportunities which will arise.

The report also outlined a range of additional policy and funding issues post Brexit and Members discussed the key policy themes and potential future resource opportunities including the UK Shared Prosperity Fund.

Roger Marsh, who had been appointed Chair of the newly recently created Northern Powerhouse 11 (NP11), advised the meeting that NP11 was helping businesses to prepare and face the challenges ahead. It was hoped that they would be able to work with Government on future funding opportunities to ensure a smooth transition from European funding.

A progress report would be prepared for a future meeting.

Resolved: That the work and progress to date in supporting the City Region's businesses and communities ahead of the UK's departure from the EU be noted and endorsed.

49. Strengthened Local Enterprise Partnerships

The Combined Authority considered a report of the Managing Director which provided an update on the Leeds City Region Enterprise Partnership's (the LEP's) response to the Government's 'Strengthened Local Enterprise Partnerships' report.

It was reported that at their meeting on 20 September 2018, the LEP Board had resolved that in order to submit a 'compliant' response to Government, to propose that a new LEP be created by combining the York, North Yorkshire and East Riding LEP, except for the East Riding, and the Leeds City Region Enterprise Partnership, except for Barnsley. A copy of the LEP Board's response, which was submitted by the LEP Chair on 28 September 2018, was attached at Appendix 1 to the submitted report.

Members discussed the next steps and the LEP's position in relation to the Government's requirements on LEP leadership, capacity, accountability and performance and a summary was provided at Appendix 2. It was recognised that the Leeds City Region had good working relationships with its neighbouring areas and joint discussions would continue with partners in the York, North Yorkshire and East Riding LEP. Collaboration would also be strengthened across all neighbouring LEPs, via the NP11 and with Yorkshire Leaders.

Further reports would be brought to future meetings about the implementation implications for the Combined Authority once Government has responded to the geography proposal.

Resolved:

- (a) That the proposal from the LEP for a new merged LEP to cover the whole of West and North Yorkshire and York, as detailed in Appendix 1 to the submitted report, be noted and endorsed.
- (b) That the Combined Authority notes how the LEP and Combined Authority are positioned in respect of Government's

recommendations on leaderships, capacity, accountability and performance as detailed in Appendix 2 of the submitted report.

- (c) That further reports be brought to future meetings on the detail of relevant legal changes when known.

50. Rail Performance and Governance Update

The Combined Authority considered a report of the Director of Transport Services which:

- Provided an update on the performance of local rail services following discussion at the last meeting which was attended by Network Rail and train operators Northern and TransPennine Express.
- Advised Members of progress with the reviews into rail performance and governance following the issues emerging in May 2018.
- Advised Member of arrangements proposed to improve engagement between the Combined Authority and the rail industry.

Members were extremely concerned that services were still failing to operate at an acceptable level and passengers and the local economy continued to be severely affected. It was reported that over-crowding on “short formed” services (ie. with fewer carriages than required) was also having a massive impact on passengers and the effect on consumer confidence was highlighted. Members were disappointed that although there was a compensation scheme for passengers, not enough people were making claims and considered that the rail operators should do more to publicise the scheme. The poor performance was also impacting on businesses and it was understood that work was being undertaken to develop business compensation packages.

Members discussed the temporary Government appointment of Richard George who would be working closely with TfN, the Rail North Partnership, Network Rail and train operators and it was suggested that he be invited to meet with the Combined Authority.

As the Combined Authority’s representative, Councillor Blake agreed to raise the Combined Authority’s serious concerns at the Transport for the North Rail North Committee. She assured Members that the voice of the City Region would be strongly and firmly heard at both the TfN Rail North Committee and nationally. Members suggested that representatives of the rail industry be invited to the February meeting of the Combined Authority.

In respect of rail governance reviews, it was reported that the Combined Authority’s response to the Rail North (Blake Johnson) Review had been submitted and the Review was expected to report its findings in December 2018. Members were also advised that the Office of Rail and Road (ORR) had published its interim findings into the national timetable disruption and the Secretary of State has launched a major review of the UK rail industry and Roger Marsh is to be part of the report panel for this review. A summary of the preliminary findings was outlined in the submitted report.

It was reported that the Chair of the Transport Committee is to establish a joint forum to enable the Combined Authority Members, train operators, Network Rail, Transport for the North and other key bodies to discuss plans and issues affecting local rail services. In welcoming the establishment of the Rail Forum, Members discussed the Terms of Reference which were attached at Appendix 1 and their comments and suggestions in respect of membership would be brought to the attention of the Chair of the Transport Committee.

Resolved:

- (a) That the update on the impact on passengers of the May 2018 rail timetable change be noted.
- (b) That Councillor Blake, as the Combined Authority's representative on the Transport for the North Rail North Committee, raises the concerns about the impact of prolonged rail disruption and urges further action to restore rail performance to the level required by the respective franchises.
- (c) That the establishment of a West Yorkshire Combined Authority Rail Forum be endorsed and the comments regarding membership be brought to the attention of the Chair of the Transport Committee.

51. Corporate Planning & Performance

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

Members discussed corporate performance, including progress against priorities, risk management and budget position. Appendix 1 set out the current status of the 14 key Corporate Plan priorities and an update on the key strategic risks.

A summary of the 2018/19 current spend to budget was attached at Appendix 2 and it was noted that there were currently no areas of concern to report.

Resolved: That the report be noted.

52. Channel 4

The Combined Authority considered a report of the Executive Head of Economic Services which provided an update and sought approval of the Combined Authority's bid to attract the Channel 4 national HQ to Leeds City Region.

It was reported that Channel 4 had been holding advanced discussions with the shortlisted regions to clarify and confirm the details within the submitted proposals. Members noted those made by Leeds City Region partners which were set out in the exempt Appendix 1. It was noted that the proposals had been appraised in line with the Combined Authority's

assurance process and a final decision by Channel 4 is expected in the Autumn.

Members welcomed and supported the bid which, if successful, would provide benefits and opportunities for all districts in the City Region. They expressed their thanks and appreciation to all partners across the region who, working with the Combined Authority, had made valuable contributions in preparing the bid.

Resolved:

- (a) That the Combined Authority continues to support the Leeds City Region bid to attract the Channel 4 National HQ.
- (b) That, if successful, approval is given to the recommendations set out in exempt Appendix 1, including the proposal to proceed through the relevant stages of the Combined Authority's assurance process.
- (c) That approval is given to the forecast value of these proposals as set out in the exempt Appendix 1.
- (d) That future approvals are made in accordance with the assurance pathway and approval route outlined in the exempt Appendix 1, including at decision point 5 (full business case) of the assurance process 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 exempt Appendix 1.

53. Corporate Update on Treasury Management

The Combined Authority considered a report of the Director of Resources which provided an update 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.

It was reported that Hausfeld LLP had been engaged to provide legal representation to the Combined Authority. Detailed legal advice on the merits of the Combined Authority's claim was expected by 26 October 2018 which was the same date as the claim form that has been issued must be served on Barclays. A decision on whether or not to proceed with the claim would therefore have to be made before the next meeting of the Combined Authority. The legal costs associated with the claim were set out in exempt Appendices 1 and 2.

Resolved: That the Combined Authority's Managing Director be authorised:

- (a) To make a decision following consideration of legal advice and in consultation with the Chair of the Combined Authority and Head of Legal and Governance Services on whether or not to proceed with service of the claim form.

- (b) To take all necessary steps in relation to the proceedings.
- (c) To take such action as is necessary to protect the interests of the Combined Authority.

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

The Combined Authority considered a report of the Director of Resources on the European Structural and Investment Funds (ESIF) – Sustainable Urban Development (SUD).

It was reported that the Investment Committee had considered the outline assessments forms (attached at exempt Appendices 2-9) and the prioritisation list for SUD (attached at exempt Appendix 1).

In its role as the Intermediate Body (IB), the Combined Authority considered the advice and respective conditions included in the outline assessment forms for each of the eight projects which had been received following the Call. They approved the advice, the selection decision and the prioritisation list and noted that the Ministry of Housing, Communities and Local Government (MHCLG) will finalise its assessment and make its decision. It was agreed that in order to progress applications to avoid delays, the final selection of projects, following the reconciliation to budget, be delegated to the Director of Resources in consultation with the Chair of the Combined Authority as required.

Resolved:

- (a) That the Combined Authority, in its role as the Intermediate Body for the SUD part of the ESIF programme, approves the advice included in the outline assessment forms at Part 3 of each exempt Appendix 2-9, the decision and any respective conditions outlined in Part 5a, and the prioritisation list for SUD included in exempt Appendix 1.
- (b) That the agreement of the final selection of projects, once the Managing Authority has reconciled the budget, be delegated to the Director of Resources in consultation with the Chair of the Combined Authority, as required, to ensure no further delays in progressing applications under the European programme occur.

55. Minutes for Information

- (a) **Minutes of the Overview & Scrutiny Committee held on 13 July 2018**

Resolved: That the minute of the Overview & Scrutiny Committee held on 13 July 2018 be noted.

- (b) **Draft Minutes of the Governance & Audit Committee held on 30 July 2018**

Resolved: That the draft minutes of the Governance & Audit Committee held on 30 July 2018 be noted.

(c) **Draft Minutes of the West Yorkshire & York Investment Committee held on 5 September 2018**

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

(d) **Draft Minutes of the Employment & Skills Panel held on 11 September 2018**

Resolved: That the draft minutes of the Employment & Skills Panel held on 11 September 2018 be noted.



Report to: West Yorkshire Combined Authority

Date: 13 December 2018

Subject: **Brexit/Autumn Budget Implications**

Director: Alan Reiss, Director of Policy, Strategy and Communications

Author(s): Patrick Bowes

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:	N/A

1. Purpose of this report

- 1.1 To update the Combined Authority on continuing organisational work to support preparations for the UK's exit from the European Union.
- 1.2 To update the Combined Authority on the latest intelligence relating to the Government's proposed transition deal.

2. Information

- 2.1 At its meeting held on 11 October 2018, the Combined Authority considered a detailed report setting out progress to date in preparing and developing our support offer to the city region's businesses and communities as the UK prepares to transition out of the EU. Since that report was discussed and noted work has been ongoing to further prepare and support Brexit planning, including:
 - Further work with MHCLG (Ministry of Housing, Communities and Local Government) to set out the work undertaken to date to support businesses and communities across the city region.

- Engagement with central government to seek more flexibility on the city region's Growth Deal funding in order to deploy reactively at short notice if required - for example if there is a need to safeguard companies and support investments, and further support required on skills and training. The central message in our engagement with government is that stabilising (where Brexit related volatility may be evident) the city region economy should come ahead of rules around funding pots, and we are seeking Government's agreement to this.
- Establishing a cross organisational resource tasked with overseeing, co-ordinating and planning the Combined Authority and Leeds City Region Local Enterprise Partnership response to the UK's exit from the EU. The cross organisational team that will support this work will be led Alan Reiss, Director of Strategy, Policy and Communications.

Maximising funding to support our Growth Ambitions post Brexit

- 2.2 At its meeting held on 11 October 2018, the Combined Authority endorsed the recommendation that the Leeds City Region should seek to ensure that the totality of the funds we need to secure from the UK Shared Prosperity Fund (UKSPF) to support our growth ambitions should encompass (at least) what we receive from European Structural and Investment Funds (ESIF) and LGF (Local Growth Fund) – which is up to £200 million annually.
- 2.3 The Autumn Budget largely parked most significant departmental and funding decisions until next year's spending review – no further clarity or insight was provided on key funding and policy going forward (such as on the UK Shared Prosperity Fund or the ongoing LEP review). The government did announce that the competitive element of the Transforming Cities Fund, for which the Leeds City Region had already been shortlisted, will be increased by £440million.
- 2.4 Work is ongoing to ensure that Leeds City Region maximises the drawdown of its remaining ESIF allocation (currently estimated at just under £100 million) – focusing additional calls for projects and working with the Managing Authority to streamline the business appraisal process for applicants.
- 2.5 Responding to MHCLG enquiries on local preparations for Brexit (a copy of the Combined Authority's letter to MHCLG is attached at **Appendix 1**) we have clearly set out that we will be seeking more flexibility on our Growth Deal funding in order to deploy it at short notice if required (depending on the exact nature of the UK's transition from its EU membership) – where the focus of Growth Deal Funding may need to respond to the imperative to safeguard companies and support existing investments and more support may be needed on skills and training. It is our view that in this situation much greater flexibility in the deployment of Growth Deal monies will be needed.

Supporting our businesses, people and communities as the UK transitions to a new trading model

2.6 Since 2016 the Combined Authority and LEP have continued to develop the products and services we provide to business to help strengthen our support offer so that it remains relevant to the needs of our businesses in the current climate. We have also been working to maximise the drawdown of European Structural funds to help enhance the services we provide in those areas that will provide most benefit to our businesses and our citizens (such as skills development and upskilling of the labour force).

2.7 Our progress to date includes:

Support to businesses – using our business support schemes to provide greater resilience

- The LEP/Combined Authority is developing an extension to the current LEP Growth Service to specifically focus on business resilience and future-proofing. This will involve expanding the current SME Growth Manager resource to provide more tailored and intensive support for a targeted cohort of strategically-important SMEs.
- We have developed further our sign-posting business advice to City Region businesses by developing tailored content on the Leeds City Region Enterprise Partnership website.

Skills – product development to support upskilling and meet the needs of businesses specifically impacted by Brexit

- Advice for businesses on their training needs is available through the LCR Skills Service, with subsidy available for training required.
- Skills Service advisors can (and are) supporting businesses to develop a plan to upskill their existing staff to meet new requirements and to find appropriate training, with training subsidies available.
- Where individuals want to re-train in order to access new employment opportunities, tailored support will be available through the [re]boot programme (DWP as the managing authority has confirmed “In-Principle” approval of £3 Million for the programme).

Investor development – ensuring we have the capacity to respond the needs of key local businesses

- In May 2018 the LEP/Combined Authority Trade and Investment team in partnership with the Department of International Trade established an investor development team. The team was set up to initiate strategic conversations with specific foreign owned companies that currently do not have an established relationship with Government.

- The team in its current structure will target active relationships with circa 100-120 key LCR companies (managing the relationships with these companies as we transition out of the EU will also provide invaluable intelligence on business issues and sentiment).
- The investor development team currently has secured funding until March 2019. Subject to further funding and dependent on the source and volume of funds the investor development team can engage with a variety of businesses to secure business intelligence and business support areas related to Brexit.

Trade – maximising domestic and international trade opportunities in a new and emerging environment

- The LEP International Trade Plan (2016-2021) sets out the principles and practical arrangements for collaboration with trade delivery partners across the City Region. The plan's ambition is to increase the number of SME exporters in Leeds City Region and to drive up the value of exports across Leeds City Region. Clearly the current global trade tensions between the US and its major trading partners was not envisaged when the original trade plan was developed so further work be undertaken by the Combined Authority to consider the specific policy implications for the plan.
- Leeds City Region LEP has secured up to £75,000 in funding to support Northern level work designed to drive up local domestic purchases from large UK and international OEM's (Own Equipment Manufacturer) and Tier 1 companies through the NP11 consortium.

Inward investment – driving investment from key global markets

- The city region is working hard to build investor confidence to help drive investment after the UK's formal departure from the EU as evidenced by the December outbound mission to China (Hangzhou, Qingdao and Hong Kong) led by Cllr. Blake (alongside key business and universities from LCR). The mission showcased the strengths of Leeds City Region with key intermediaries, potential investors and government organisations. The mission met with over 100 businesses and government contacts.
- Accelerating and building brand awareness and leveraging collateral from the City Region's success in securing Channel 4's national headquarters.

The economic impacts of the agreed EU transition deal

- 2.8 Following the approval of the UK's Transition Deal by EU27 heads of government and the agreement of the political framework that will shape the UK's future trade relationship with the bloc the government has identified that parliament's meaningful vote on that transition deal will take place on the 11th December 2018.
- 2.9 To support Parliament in its deliberations both HMT and the Bank of England have published additional economic impact material to set out the potential impacts on the UK economy. The HMT report focuses on the long term

potential impacts on the UK economy whilst the BoE report (both published on the 28 November 2018) focuses on the short term impact to the UK economy with the emphasis on financial stability.

- 2.10 Both reports conclude (in both the short and long term) that the impacts on growth would be significant if the UK left the EU under a no deal scenario – HMT concludes that the UK economy could be up 7.7% smaller over the long term compared to the UK’s current arrangements (the Bank calculates that no deal arrangements could trim between 7% to 10% from the UK economy between 2019 to 2020).
- 2.11 It should be noted that both HMT and the BoE have developed a range of modelled scenarios using assumptions to capture the likely scope of the potential economic impacts (this reflects the high degree of uncertainty given the uncharted nature of the potential structural economic forces that might be at work) – but the greatest certainty across both is the impact of no deal arrangements. The key areas where these assumptions are made relate to trade barriers (or Free Trade Agreements), Tariffs (their level, scope and timing) and so called “Non-Trade” barriers (such as those relating to migration).
- 2.12 The FPC (the Financial Policy Committee of the BoE) has made clear that the 2018 financial system stress tests show the UK banking system is strong enough to serve the needs of UK households and businesses in the event of a no deal Brexit. The Bank goes on to conclude that the implementation period built into the agreed transition deal will mitigate most near term financial stability risks to the UK economy. In the Bank’s modelling of the close economic partnership set out in the political declaration accompanying the transition deal it believes the UK economy would grow by an additional 1.75% (relative to Bank’s baseline forecast in the November 2018 Inflation report) and would contract by 0.25% (between 2019 to 2023) with a less close arrangement.
- 2.13 The HMT work is a more detailed assessment of the trade, migration and regulatory effects across 5 core scenarios (the July White Paper “The Future Relationship between the UK and the European Union”, EEA membership, Free Trade Arrangements and no deal arrangements) – it should be noted that all these scenarios would imply the UK’s long run growth would be lower compared to the UK’s current arrangements. This work concluded that the policy position set out by the government in its White Paper would have the least impact on long run UK growth with average annual growth 0.6% lower. The results for the scenarios above assume some form of migration from the EEA, the impacts to long run UK growth would be greater if there were no net inflows of EEA workers.
- 2.14 The HMT work also included some regional level modelling across the policy scenarios analysed – this work concludes that long run GVA in Yorkshire and Humber could be up 8.2% lower in a no deal scenario and up 3.2% lower in the policy position set in the July 2018 White Paper *The future relationship between the United Kingdom and the European Union*.

3. Inclusive Growth Implications

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

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 No external consultations have been undertaken.

8. Recommendations

8.1 That the Combined Authority notes the contents of this report in updating progress on Brexit Planning.

8.2 That the Combined Authority note funding update and announcement relating to the allocation of Transforming Cities Funding.

8.3 That the Combined Authority note the key messages from the latest Brexit Economic Impact work undertaken HMT and the BoE (Bank of England).

9. Background Documents

There are no background documents associated with this paper.

10. Appendices

Appendix 1 - Letter to Cities and Local Growth Unit, MHCLG.

Private and Confidential

26 October 2018

Dear Jo,

PREPARATIONS FOR EU EXIT

Thank you for your letter of 19 October regarding preparations for EU exit.

As a Combined Authority alongside Leeds City Region LEP, we are working with our local authorities and other partners to prepare and support the city region's businesses and communities ahead of the UK's withdrawal from the EU, whilst focusing on key areas of opportunity to support the city region's growth ambitions.

In terms of EU exit planning, this has been constrained to a great extent by the uncertainty around deal negotiations and the significant differences that various scenarios present to both the economic and social landscape, as well as the additional resources required to do this alongside existing delivery commitments. However through the Combined Authority's research and intelligence function, policy and formal and informal networks, we are doing as much as possible to prepare for both deal and no deal scenarios. The following key themes of activity are already taking place, or are ongoing, which will assist the organisation to best respond to issues and challenges as they become clarified (most of these are explained in more detail in [a recent West Yorkshire Combined Authority report](#)):

- Support to businesses – using our business support schemes to provide greater resilience (and seeking greater flexibility in the deployment of these funds – see below);
- Skills – product development to support upskilling and meet the needs of businesses specifically impacted by Brexit;
- Investor development – ensuring we have the capacity to respond the needs of key businesses in the city region;

Trade – maximising domestic and international trade opportunities in a new and emerging environment;

- Inward investment – driving investment from key global markets;
- Ensuring continued delivery of European Structural and Investment Funds (ESIF) and leading the region’s input to the shaping of the UK Shared Prosperity Fund - to ensure that Government maximises the fund value for allocation to LEPs and city regions, and minimises strings;
- Developing policy to make sure our response maximises opportunities and keeps up to date with changing issues;
- Monitoring the risks to delivery of the Combined Authority's Transport Services functions, including the supply chains for train and bus assembly and legislation affecting transport operations
- Exploring how procurement may operate in the future, outside of OJEU processes, as this will have an impact on how we deliver particularly large projects and the requirements on state aid. There are particular opportunities that we believe Government should be looking into around ensuring greater local value and less bureaucracy, making procurement easier to access for SMEs.
- Preparing for any new regulations with regards to the employment of EU nationals and ensuring compliance in new recruitment.

In response to your request on what engagement we have had to date with central government departments or their agencies, the Combined Authority has undertaken the following:

- Submitted evidence to the Migration Advisory Committee's investigation into “EEA Workers in the UK Labour Market”
- Briefing on the DEXEU Select Committee meeting in Leeds in June about opportunities and risks to regional economies
- Intensive work with MHCLG on designing the Shared Prosperity Fund, including officers involved in working groups and various informal consultation sessions
- The CA/LEP has, in partnership with DIT, established an investor development team to initiate strategic conversations with specific foreign owned companies that currently do not have an established relationship with Government. This is generating significant firm-level qualitative intelligence, which is being shared with DIT, local authorities and other policymakers.
- Regular discussions between the LEP/CA and regional agent of the Bank of England on economic conditions and business confidence.

- Yorkshire and Humber regional Leaders have also been working closely with the Local Government Association on the issues where councils need clarity in the immediacy of EU exit, which we know are subject to discussion with Government departments.

We will also be seeking more flexibility on our Growth Deal funding in order to deploy it at short notice if required - for example if there is a need to safeguard companies and support investments, and more needed on skills and training. It is our view that any required work to stabilise the city region economy should come ahead of rules around funding pots, and are seeking Government's agreement to this.

As we move closer to either an agreed deal scenario or a no deal exit in March, it would be helpful to have a greater level of engagement with departments on a practical basis. We would welcome the opportunity to engage further with the Ministry of Housing, Communities and Local Government in particular on these matters, and would be happy to host a regional workshop or a separate meeting at the West Yorkshire Combined Authority.

Yours faithfully,

Ben Still
Managing Director, West Yorkshire Combined Authority

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Report to: West Yorkshire Combined Authority

Date: 13 December 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 7 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 £88.885 million when fully approved, of which £67.085 million will be funded by the Combined Authority. A total expenditure recommendation to the value of £3.518 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
Project Lapwing Leeds	To bring forward an investment in the Leeds City Region, safeguarding 450 jobs and creating forecasted additional 400 new, skilled jobs at city region level. The project addresses Leeds City Region Strategic Economic Plan priorities including priority 2: skilled people, better jobs and priority 1: growing business. The project's wider benefits include working with schools and/or colleges on tailored	Approval to proceed through decision point 2 and that work commences on activity 5 (full business case with finalised costs). Total scheme value - £20-25 million. Total value of the Combined Authority funding - £1 million. Funding recommendation sought - £0.

	<p>training; providing career progression support to lower paid staff and work opportunities offered to local people with disabilities or health issues; green travel options offered to employees.</p>	
<p>A61S Bus Priority Corridor Leeds</p>	<p>Part of the Bus Priority Corridors package within the Leeds Public Transport Investment Programme (LPTIP) to address connectivity challenges the City Region faces, which is constraining growth associated with new housing and employment sites. The scheme supports delivery of Priority 4 'Infrastructure for Growth' of the Leeds City Region Strategic Economic Plan.</p> <p>To deliver a series of improvements along the A61 and A639 in South Leeds which will include extensive bus lane provision, bus priority, measures and junction improvements whilst also delivering improvements for those cycling and walking.</p> <p>The scheme's benefits to cost ratio (which has been adjusted to take into account the wider economic impacts of the scheme) is 1.5:1</p> <p>The scheme's wider social benefits include improved public health and quality of life through enhanced connectivity, reduced carbon emissions and facilities which make walking and cycling safer.</p>	<p>Approval to proceed through decision point 3 and work commences on activity 5 Full Business Case with Finalised Costs.</p> <p>Total value-£14.15 million</p> <p>Total value of Combined Authority funding- £14.15 million</p> <p>Funding recommendation sought - £0.</p>
<p>Stourton Park and Ride Leeds</p>	<p>Part of the Bus Park and Ride package within the Leeds Public Transport Investment Programme (LPTIP) to address connectivity challenges the City Region faces, which is constraining growth associated with new housing and employment sites. Up to 1,200 car parking places are</p>	<p>Approval to proceed through decision point 3 and work commences on activity 5 full business case with finalised costs.</p> <p>Total value - £30.1 million</p>

	<p>planned at this stage. The scheme supports delivery of Priority 4 'Infrastructure for growth' of the Leeds City Region Strategic Economic Plan.</p> <p>The benefit cost ratio is 1.8:1.</p> <p>The schemes wider social benefits include improved public health and quality of life through delivering better connectivity, reducing journey times, and reducing carbon emissions.</p>	<p>Total value of Combined Authority funding - £27.3 million</p> <p>Funding recommendation sought - £635,000.</p>
<p>Elland Road Park and Ride Phase 3 Leeds</p>	<p>Part of the Bus Park and Ride package within the Leeds Public Transport Investment Programme (LPTIP) to address connectivity challenges the City Region faces, which is constraining growth associated with new housing and employment sites. Up to 550 additional car parking places are planned at this stage. The scheme supports delivery of priority 4: infrastructure for growth of the Leeds City Region Strategic Economic Plan.</p> <p>The benefit cost ratio (is 2.6 (high value for money).</p> <p>The scheme's wider social benefits include improved public health and quality of life through delivering better connectivity, reducing journey times, and reducing car journeys and carbon emissions.</p>	<p>Approval to proceed through decision point 3 and work commences on Activity 5 (full business case with finalised costs).</p> <p>Total value - £5.75 million</p> <p>Total value of Combined Authority funding - £5.75 million</p> <p>Funding recommendation sought - £165,000.</p>
<p>Leeds Enterprise Zone Power Solution Leeds</p>	<p>Part of the wider Leeds City Region Enterprise Zone Programme, this scheme enables Northern Powergrid (the local energy supplier) to carry out upgrading and expansion of the existing infrastructure to provide an improved energy supply to the Leeds Enterprise Zone to allow the Zone to fully expand without the constraint of limited power supply. The Leeds City</p>	<p>Approval to proceed through decision point 4 (full business case) and work commences on activity 5 (full business case with finalised costs) subject to a full quote being received by Northern Power grid.</p> <p>Total indicative value - £5 million</p>

	<p>Region Strategic Economic Plan (SEP) 2016-2036 identifies the Leeds Enterprise Zone as a priority for growth and investment.</p> <p>The scheme will be fully funded by Local Growth Fund, however, scheme costs will be recouped in part from the developers.</p> <p>The high level cost benefit ratio calculation is 9:1, and the scheme (coupled with the wider development and subsequent occupation of the Enterprise Zone site), the promoter estimates that the scheme potentially provides £44.805 million in business rates income. The scheme represents good value for money at this stage.</p>	<p>Total indicative value of Combined Authority Funding - £5 million</p> <p>Funding approval sought - £0</p>
<p>A650 Bradford to Keighley Corridor (Hard Ings) Bradford</p>	<p>Located at Hard Ings Road (A650), Keighley, the scheme will relieve traffic congestion through making on street improvements including road widening. The scheme will contribute to the Strategic Economic Plan priority 4: infrastructure for growth.</p> <p>The project has a benefit to cost ratio of 6:1 which is very high value for money at this stage.</p> <p>The wider social benefits include improved air quality and reduced journey times.</p>	<p>Approval to proceed through decision point 4 and work commences on activity 5 (full business case with finalised costs).</p> <p>Total value- £10.3 million</p> <p>Total value of Combined Authority funding- £10.3 million</p> <p>Funding recommendation sought - £2.718 million</p>
<p>York Outer Ring Road Phase 2 (Monks Cross) York</p>	<p>Part of the York outer ring road improvement programme, phase 2 will deliver improvements to the roundabout at the junction of A1237, Monks Cross, and North Lane. The scheme will contribute to the Strategic Economic Plan priority 4: infrastructure for growth.</p> <p>To contribute to reduced congestion and journey times and provide wider benefits in the form of reducing accidents and improving local air quality.</p>	<p>Approval to proceed through decision point 4 and work commences on activity 5 (full business case with finalised costs).</p> <p>Total value- £3.585 million (total programme £38.926 million)</p> <p>Total value of Combined Authority funding- £3.585 million (total programme £38.276 million)</p> <p>Funding Recommendation sought - £0</p>

	<p>The scheme is funded by the West Yorkshire plus Transport Fund.</p> <p>Benefits are being measured at a programme level, however there will be localised benefits realised at this junction once improvement works are delivered.</p> <p>The wider social benefits include improved air quality and reduced journey times.</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 schemes have a total funding of value of £32.040 million when fully approved, £32.040 million of which will be funded by the Combined Authority. A total expenditure recommendation to the value of £179,400 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
Rail Park and Ride Programme Phase 1 West Yorkshire	<p>To extend free rail car parking and enhance employment accessibility through the provision of additional car parking spaces; improve overall journey times through better access to the rail network and alleviate local streets from on-street parking by rail users.</p> <p>The scheme will contribute to the Strategic Economic Plan priority 4: infrastructure for growth.</p>	<p>Activity 3 (outline business case) change request to the programme proposing to re-programme site delivery as result of the feasibility work undertaken, re-baseline the programme tolerances and request further development funding.</p> <p>Total value- £30.5 million</p> <p>Total value of Combined Authority funding- £30.5 million</p> <p>Funding Recommendation sought - £150,000</p>
Outwood Station Park and Ride Wakefield	<p>A scheme within the Rail Park & Ride Phase 1 programme to extend the existing car park and deliver over 100 additional spaces. The scheme will contribute to the Strategic Economic Plan priority 4: infrastructure for growth.</p> <p>The scheme is funded by the West Yorkshire plus Transport Fund.</p>	<p>The change request is to extend the scope at Outwood Rail Station and include the provision of an access road. This includes an increase in development costs from £110,600 to £140,000 and an increase in construction costs of £400,000 from the original estimate of £1.1million. As a result of these changes the</p>

	The scheme will improve connectivity with the main urban centres.	scheme has now exceeded its defined tolerances. Total value- £1.54 million Total value of Combined Authority funding- £1.54 million Funding Recommendation sought - £29,400
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1.4 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.

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

2 Information

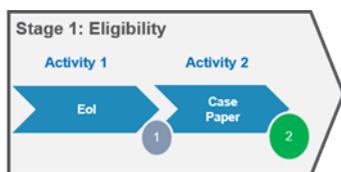
2.1 The background information on the Combined Authority's assurance framework through which each of the schemes outlined in this report are being approved is provided in **Appendix 1**. In addition, this appendix also provides a description of the approach for the future assurance pathway and approval route and the assurance tolerances for each scheme.

2.2 Location maps for each of the schemes presented in this report (where applicable) are provided in **Appendix 2**.

2.3 All the schemes set out in this report have been considered by the Investment Committee on 7 November 2018 and have been recommended for approval.

Programmes and projects for consideration

Projects in stage 1: Eligibility



- 2.4 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	Project Lapwing
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

- 2.5 This project is of a commercially sensitive nature and the applicant business has requested to keep their company name confidential.
- 2.6 This project is a grant application to the Strategic Inward Investment Fund for £1 million to bring forward an investment in Leeds City Region, safeguarding 450 jobs and creating an additional forecasted 400 new jobs at city region level.
- 2.7 The applicant business is an international financial services firm with an international presence. The business has a multi-site portfolio in the UK and is currently undertaking a review of how best to consolidate these sites to allow better efficiencies and improve service. This will involve centralising functions into a larger “Hub”. The company currently has operations in two locations in our region which will be consolidated into a single footprint alongside another

office in the South. 400 net new roles will also be created at a regional level, through transition from the south.

- 2.8 The company have worked with the UK Department for International Trade to undertake a site selection exercise and shortlist potential locations for this project. This has led to Leeds City Region being selected as the preferred location.
- 2.9 However, the financial modelling of the Leeds City Region option relative to two other options demonstrates a higher cost and risk profile for the project. Other options in consideration are consolidating roles in the South or consolidating all the roles into a Northern Hub in another city.
- 2.10 The grant funding will enable the company to absorb the additional costs associated with the Leeds City Region option, relative to the neutral cost option of consolidating roles within an existing site, or the lower cost of locating in an alternative region in the north.
- 2.11 The Leeds City Region option provides further benefits in terms of business culture and downstream business opportunities and the company regards the financial technology expertise in the region an attractive feature.

Legal Implications

- 2.12 This project is commercially sensitive and confidentiality has been requested by the client.
- 2.13 Therefore, the information contained in **Appendix 3** 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 appendix as exempt outweighs the public interest in disclosing the information as publication could prejudice current and future decision making.
- 2.14 State Aid advice has been sought in relation to the grant application and has determined that the grant application is compliant with the regulations.
- 2.15 The scheme is managed by the Combined Authority Inward Investment Team and has a clear fit with the Strategic Economic Plan. The project meets the Combined Authority's strategic objectives to grow the region's economy and create high quality, inclusive jobs. The project is in a priority sector and will generate a significant economic impact (circa £147.5 million net GVA increase by 2028). The project addresses Strategic Economic Plan (SEP) priorities including the 'more jobs, better jobs' programme and the SEP initiative to boost business growth and investment, attracting a major international investor.
- 2.16 The scheme was considered by the Business Investment Panel (BIP) on the 6 November 2018 and recommended for approval.

2.17 The grant application has been made to the Strategic Inward Investment Fund. The appraisal undertaken has confirmed that that the application meets the criteria of, and is affordable from the fund.

Outputs, benefits and inclusive growth implications

2.18 The forecast outputs, benefits and inclusive growth implications are:

Scheme outputs

- Occupy up to 71,000 sq. ft. of office space in the region
- Safeguard 450 jobs in Leeds City Region in 2018/2019
- Create an additional 400 jobs by 2021

2.19 Leverage private sector investment of £20-25 million by 2028, with an initial investment of £5 million in 2019.

2.20 The potential return for investment is high, creating 400 new jobs and safeguarding 450 existing jobs at a cost of £2,500 per new job or £1,176 per safeguarded and new job. These are skilled roles and the combined salary costs for these staff will be significant which will have significant multiplier on effects in the local economy.

2.21 The wider benefits of the scheme, including inclusive growth benefits of the scheme:

- Work with schools and/or colleges
- Training and development offered to low paid staff to help them progress
- Work opportunities offered to local people with disabilities or health issues
- Green travel options offered to employees
- Wider diversity and inclusive growth policies and initiatives
- Opportunity for provision of apprenticeships (this will be finalised as part of the full business case appraisal)

Risks

2.22 Key risks to the applicant business are as follows:

- Identified property options are not available.
- Inability to realise plans at the pace or scale desired.
- Challenges recruiting large volume of staff. The prospect of recruiting 400 roles in addition to an existing 450 is a significant undertaking.

2.23 These risks are being managed by the applicant business.

2.24 The key risk for the Combined Authority is as follows:

- Applicant business opts to either do nothing, or reduce Leeds City Region presence (whether as a result of an unsatisfactory grant offer or no grant offer) and therefore a risk of existing jobs being lost entirely at a regional level.

Costs

- 2.25 The current total forecast cost of the scheme is between £20-25 million.
- 2.26 The Combined Authority contribution to the total forecast cost of the scheme is £1million, which will be funded by the Combined Authority from the Strategic Inward Investment Fund (SIIF).
- 2.27 The remainder of the costs will be funded by the applicant business.

Timescales

- The scheme was considered by the Business Investment Panel on 6 November 2018.
- Company Board will make the decision if they can proceed with the project - Imminently.
- Forecast decision point 5 approval (full business case with finalised costs) - January 2019.
- Fit out of the premises – Q2 2019 (start).
- Forecast decision point 6 (delivery) – end of September 2019.
- Premises occupation starts (subject to the preferred building being available) – Q4 2019.

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 2	Recommendation: Investment Committee Decision: Combined Authority
Decision point 5	Recommendation: Combined Authority’s Programme Appraisal Team Decision: Combined Authority’s Managing Director

Tolerances

Assurance tolerances
That the Combined Authority contribution should remain within the amount set out in this report. That scheme timescales should remain within 6 month of the timescales set out in this report.

That the cost per job safeguarded or created remains within £10,000.

Project responsibilities

Senior Responsible Officer	David Shepherd
Project Manager	Jennie Holdstock
Combined Authority case officer	Julia Radianec

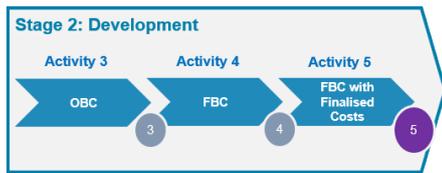
Appraisal summary

- 2.28 The project has a clear strategic fit and there is clear evidence of the need for the project. The project has good potential of delivering against headline indicators and falls within an identified funding stream.
- 2.29 If Leeds City Region is selected as the location for this project, there will be 400 net new roles created at a regional level, through transition from the south. The grant funding will enable the company to absorb some of the costs associated with the Leeds City Region option, relative to the neutral cost option of consolidating roles within an existing southern site.
- 2.30 This is a very large business with significant financial resources, therefore it is possible that this project could be affordable without grant support. The additionality argument in this case, however, is about bringing forward a project that otherwise may not happen in Leeds City Region due to the balance of the cost versus risk profile relative to other locations.
- 2.31 Some information about the scheme is still outstanding. It is expected that this information will be provided prior to the scheme going to decision point 5 (full business case with finalised costs).

Recommendations

- 2.32 That Combined Authority approves that:
- (i) The Lapwing project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs).
 - (ii) An indicative approval to the Combined Authority's contribution of £1million (which will be funded through the Local Growth Fund's Strategic Inward Investment 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).
 - (iii) Future approvals 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.

Projects in Stage 2: Development



- 2.33 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.

Leeds Public Transport Investment Programme

- 2.34 The following three schemes presented for decision point 3 approval (outline business case) form part of the Leeds Public Transport Investment Programme (LPTIP). The programme received decision point 2 approval from the Combined Authority on 29 June 2017, following recommendation by Investment Committee on 16 June 2018.
- 2.35 The programme is comprised of the following packages:
- Bus Priority Corridors
 - Bus Park and Ride
 - City Centre Gateways
 - Rail
 - Bus Transformation
 - Mass Transit
- 2.36 As part of the approval at decision point 2, the proposed schemes to be delivered under each package were identified. The schemes identified continue to be progressed to outline business case and as a result the cost and output forecasts are being refined. It is intended that any cost variations should be absorbed within the allocations for the overall packages whilst still ensuring the overall outputs and outcomes remain consistent.

Project Title	A61S Bus Priority Corridor, Leeds
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

- 2.37 The A61 South scheme forms one of the five prioritised bus corridors and consists of a series of improvements along the A639 and A61 between M621 Junction 7 and the junction of A61 Great Wilson Street / Meadow Lane. The scheme will primarily support traffic from the south in to the city centre, including improving bus journey times from the proposed Stourton Park & Ride site (a scheme which is also presented as part of this report).
- 2.38 The improvements include the new provision of extensive bus lanes on the corridor (in both directions), a range of bus priority measures at signals and local geometric changes, improvements to the Thwaite Gate junction, dedicated walking and cycling facilities, and improvements to urban realm and green infrastructure.
- 2.39 The scheme will support reducing bus journey times and improving bus reliability, especially significant as it will serve fully electric bus services from the proposed Stourton park and ride site.
- 2.40 The scheme supports delivery of Priority 4 'Infrastructure for Growth' of the Leeds City Region Strategic Economic Plan, but will also deliver consequential benefits to Priority 1 Growing Businesses, Priority 2 Skilled People and Better Jobs, and Priority 3 Clean Energy and Environmental Resilience.
- 2.41 The meeting of the Combined Authority on 29 June 2017 approved that the Leeds Public Transport Investment Programme (LPTIP) should proceed through decision point 2 with an indicative total Combined Authority funding approval of £183.266 million, and that £15.310 million be approved to fund project development costs. It also agreed that the schemes would now progress on an individual project or package basis to outline business case.

2.42 Within the aforementioned approval, the Bus Priority Corridor package, comprising of five schemes, was given an indicative allocation of £48.9 million towards scheme costs, with £2.012 million development cost funding approved in order to progress the A61 South scheme to decision point 3 (outline business case).

Outputs, benefits and inclusive growth implications

2.43 The forecast outputs, benefits and inclusive growth implications are:

Outputs and Benefits

- Increase overall bus patronage, linked to the ambition to double bus patronage by 2026.
- Improve bus journey times and reliability along the A61(S) corridor, especially significant as it will serve fully electric bus services from the proposed Stourton park and ride site. - 15% reduction in end to end journey times (including dwell times) for limited stop services, 20% reduction for stopping services at opening year. 33% reduction in standard deviation of journey times in opening year.
- Improve the quality of the bus passenger experience with satisfaction levels exceeding Local Transport Plan 3 target levels by 2026.
- Improve the experience of all street users, particularly more vulnerable groups, those walking/cycling, and in terms of the urban realm. Increase the percentage share of non-car modes to 70% three years after opening.
- Improve air quality and health outcomes. Proportion of fleet at EURO VI (or better) to 100% after three years after opening.
- Increase accessibility to jobs, training and services, thus also supporting the Strategic Economic Plan's economic growth housing, inclusion and regeneration plans.
- An adjusted benefit cost ratio of 1.5:1 taking into account wider economic impacts, which gives an overall Value for Money category for the preferred option of 'Medium'.

Inclusive Growth

- Improved health outcomes by improving air quality and noise by encouraging modal shift to bus and cycling, and in the process support the City Region Clean Air Zone proposals.
- Improving accessibility to jobs, services, retail and leisure, for those most dependent on the bus.
- Improved quality of life with better connectivity and reduced journey times.

Risks

2.44 The key risks to the project and the related mitigations are:

- Discovery of unexpected utilities during construction could impact on costs and deliverability. Detailed surveys / C3 quotes will be undertaken, with probable higher costs reflected within cost forecast.
- Scope change could occur following local residents / third party consultation. Detailed, localised engagement will be carried out with detailed design information and justification presented as to the preferred option. In the event of a scope change which could affect scheme costs, the delivery programme, and the benefits / outputs, submission of a change request as per Combined Authority's assurance framework will be sought.

Costs

2.45 The project costs can be summarised as:

- The current total cost forecast for the scheme at decision point 3 is £14.15 million, which the Combined Authority will fund from the devolved Department for Transport Leeds Public Transport Investment Programme Fund.
- Detailed costs for the other four schemes within the Bus Priority Corridor package are not known yet, therefore at this stage the promoter is unable to confirm that all schemes will ultimately be affordable from the £48.9 million package allocation. However, the programme board will monitor costs with the aim of bringing the Bus Priority Corridor package within the allocation.
- The scheme does not seek further project development funding at decision point 3, confirming the £2.012 million approved at decision point 2 is satisfactory to progress the scheme to full business case with finalised costs (decision point 5). This represents 14% of total scheme costs.

Timescales

- Outline Business Case (decision point 3) - December 2018
- Leeds City Council Highways Board approval - February 2019
- Full business case with finalised costs (decision point 5) - February 2019
- Construction commence - April 2019
- Construction complete (decision point 6) - June 2020

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3 (Outline business case)	Recommendation: Investment Committee Approval: Combined Authority

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

Assurance tolerances
That the Combined Authority's contribution from the devolved Department for Transport Leeds Public Transport Investment Programme Fund should remain within 10% of the value set in this report. The delivery programme timescales should remain within 3 months of the timescales set out in this report.

Project responsibilities

Senior Responsible Officer	Gary Bartlett, Leeds City Council
Project Manager	Sabby Khaira, Leeds City Council
Combined Authority case officer	Asif Abed

Appraisal summary

- 2.46 The strategic case for the A61 South scheme has a clear fit with the Leeds City Region Strategic Economic Plan, specifically in delivery against Priority 4 Infrastructure for Growth - through increasing connectivity, reducing congestion, and reducing carbon emissions. The schemes strategic case is especially significant due it's synergy with the proposed Stourton Park and Ride site, with the corridor to serve fully electric bus services from the park and ride site in to the city centre, with stops along the corridor comprising of employment and educational locations. This will improve journey times from the park and ride to the city centre contributing to the attractiveness of park and ride as a commuting option. The corridor also has a key social inclusion function for communities in South Leeds, and is important to the City Region as a key corridor for cross-boundary buses to/from Oulton, Rothwell and Wakefield, which will also benefit from the proposals.
- 2.47 The scheme will also deliver consequential benefits to Priority 1 Growing Businesses, Priority 2 Skilled People and Better Jobs, and Priority 3 Clean Energy and Environmental Resilience.
- 2.48 The promoter seeks to commence construction in April 2019. Although this is ambitious Leeds City Council are actively managing the risk and looking for opportunities to advance works ahead of programme such as utility diversions.
- 2.49 The scheme has an adjusted benefit cost ratio of 1.5, which takes into account wider economic impacts and represents a medium value for money assessment.

- 2.50 Two options for the corridor improvement have been assessed. The preferred option has a lower BCR but achieves more with regards bus reliability and journey time improvements, and therefore better supports the core objectives of the scheme and the Leeds Public Transport Infrastructure Programme. This is especially significant given the A61 (South) corridor will be a key bus route for fully electric bus services from the proposed Stourton Park & Ride site and bus journey times are a key factor in attracting park and ride users and existing buses serving Belle Isle and Middleton, Rothwell, Oulton, the Carlton Villages, and North Wakefield. It should also be noted that other Leeds Public transport Investment programme schemes have not been included in the modelling forecasts used to generate these BCR's but will be included as part of the economic appraisal at decision point 4 (full business case). This is expected to reduce the highway disbenefits associated with the scheme, due to lower flows than currently forecast as a result of car users opting to use the park and ride and therefore positively impact on the BCR for the scheme at decision point 4.
- 2.51 Leeds City Council will be the delivery lead with WSP as development partner, and BAM and Mott MacDonald appointed as delivery partners.
- 2.52 The scheme will continue reporting to the Leeds Public Transport Investment Programme Board.

Recommendations

- 2.53 That Combined Authority approves that:
- (i) The A61 South project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
 - (ii) An indicative approval to the total project value of £14.15 million is given from the Leeds Public Transport Investment 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) Future approvals 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.

- 2.54 The following two schemes form part of the Leeds Public Transport Investment Programme’s Bus Park and Ride Package. At decision point 2 (case paper) for the programme two new sites plus an extension to an existing site were identified to be delivered from the package. This is in addition to the already successful Elland Road and Temple Green sites. Significant levels of demand forecasting work have been undertaken as part of the package development. This has determined that there will be sufficient demand to justify this scale of provision of park and facility serving Leeds city centre.

Project Title	Stourton Park and Ride
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

- 2.55 The Stourton Park and Ride scheme is located on land adjacent to the M621 Junction 7 roundabout, owned by Leeds City Council. The new park and ride facility will accommodate a maximum of 1,200 car parking spaces, and will provide a very high quality, all-electric, 10-minute frequency service along the A61/A639 corridor to and from Leeds City Centre - serving important employment and educational stops, namely the Wakefield Road / Thwaite Gate junction and at the Education Quarter near Leeds City College Printworks Campus, Leeds College of Art, and the Leeds College of Building.
- 2.56 The scheme includes provision of solar panels which will generate electricity to power both the park and ride site and the electric bus services.
- 2.57 In addition to parking provision, the new site will have a number of supporting amenities including electric vehicle charging points, family and disabled parking bays, waiting facilities, cycle stands, cycle lockers, and mobility scooter lockers.
- 2.58 The park and ride site will also deliver a number of important ancillary works, most notably the provision of inbound bus lanes from Leeds Valley Park to the M621 J7 approach - improving bus journey times and reliability of existing

buses using the corridor, namely the 110 Wakefield-Leeds, 444 and 446 services, as well as park and ride services entering and exiting the facility. These works will have dual benefit, in access to and from the site itself, but also in significantly improving bus access in to Leeds from two important growth corridors, namely from Wakefield city centre & North Wakefield through to Leeds via Oulton, Rothwell and Carlton.

- 2.59 The park and ride scheme design also implements a number of localised highway improvements on the network around the site, most notably full signal control of M621 J7 and at A61/A639 merge points, expanding the number of lanes at each point. This is forecast to reduce delays to existing highway users and will complement the Highways England works of widening the current highway layout to three lanes at the north-eastern portion of the Junction 7 roundabout.
- 2.60 The scheme is also implementing additional, dedicated walking and cycling facilities. The intention is to provide enhanced cycle connectivity to/from the south of Leeds, via the park and ride site and the Leeds Cycle network, avoiding the need to circumvent the motorway junction, especially for more vulnerable users.
- 2.61 The scheme supports delivery of Priority 4 'Infrastructure for Growth' of the Leeds City Region Strategic Economic Plan, but will also deliver consequential benefits to Priority 1 Growing Businesses, Priority 2 Skilled People and Better Jobs, and Priority 3 Clean Energy and Environmental Resilience.
- 2.62 The meeting of the Combined Authority on 29 June 2017 approved that the Leeds Public Transport Investment Programme (LPTIP) should proceed through decision point 2 with an indicative total Combined Authority funding approval of £183.266 million, and that £15.310 million be approved to fund project development costs. It also agreed that the schemes would now progress on an individual project or package basis to outline business case.
- 2.63 Within the aforementioned programme approval, the Stourton Park and Ride scheme received an indicative allocation of £23 million towards scheme costs, with an approval of £2.305 million towards project development costs to progress the scheme to outline business case.
- 2.64 The scheme cost has increased from £23 million to £30.1 million (£7.1 million increase). The cost increase is a result of including the cost of solar panels and electric bus infrastructure, additional earthwork costs, and significant enhancement of landscaping provision in response to consultation feedback. Provision of solar panels will enable a fully zero emission site and services operation and will also reduce on going costs of operating the electric bus service resulting in greater forecast operational surplus for the public sector.
- 2.65 It is proposed that the Combined Authority will fund £27.3 million of the total scheme costs, with the remaining £2.8 million funded by the European Regional Development Fund (ERDF). A bid has been made to ERDF and a decision is awaited.

Outputs, benefits and inclusive growth implications

2.66 The forecast outputs, benefits and inclusive growth implications are:

Outputs and Benefits

- Increase park and ride users in the City by 1,200 per day as part of LPTIP's delivery of over 2,000 new park and ride spaces in the city by 2021. This represents a 50% increase on early 2018 bus based park and ride levels in Leeds.
- Improve bus journey travel times and connectivity by providing a high-quality service with a 13-minute journey time to/from the city centre on opening in 2020, and be sustained thereafter.
- Increase overall bus patronage by over 1,500 users a day, contributing to the LPTIP and Leeds City region ambition to double bus patronage by 2026, from 2017 levels.
- Reduce on going site and electric bus service operational costs through solar power generation. Maintenance of the solar panels will be paid for by the additional revenue surplus expected to be provided from the solar power, with the revenue surplus to be shared between the public and private sector.
- Increase accessibility to jobs, training and services, thus also supporting the Strategic Economic Plan's economic growth, housing, inclusion and regeneration plans - resulting in 589 net jobs.
- A medium value for money benefit cost ratio of 1.8:1.

Inclusive Growth

- Improving health outcomes by improving air quality and noise by encouraging significant modal shift to Park & Ride (as well as improved existing bus services and walking and cycling). This will also support the City Region Clean Air Zone proposals.
- Improved quality of life with better connectivity and reduced journey times.

Risks

2.67 The key risks to the project and the related mitigation are:

- Following detailed design that construction costs could increase significantly. Leeds Council to hold early contractor engagement at design stage with risk workshops.
- Delay in land purchase / transfer from Highways England will hold up Combined Authority approval of full business case with finalised costs (decision point 5). Note planning permission is required before land purchasing procedures, so earlier engagement than normal has commenced between Leeds Council and Highways England. Any significant delay will affect the delivery programme timescales, which on

this project as a standalone can be mitigated, but the greater risk is the impact on the council's wider LPTIP schemes and interdependency of work programmes across Leeds.

- The ERDF bid is not successful. In the event that the bid is not successful an indicative approval of £25.4 million from the Leeds Public Transport Investment Fund will be applied. This is the cost of the scheme which does not include the solar panels in the scope.

Costs

2.68 The project costs can be summarised as:

- The current total cost forecast for the scheme at decision point 3 is £30.1 million of which the Combined Authority would fund £27.3 million from the devolved Department for Transport Leeds Public Transport Investment Programme Fund. This is a £4.3 million increase from the allocation for the scheme made within the overall LPTIP programme at decision point 2. It is believed that the £4.3 million cost increase is affordable within the overall allocation for the Bus Park and Ride Package by managing the other two schemes within the Bus Park and Ride package.
- The scheme now seeks a further £635,000 development costs to progress project development to full business case with finalised costs.
- The Combined Authority will enter into an addendum to the existing Funding Agreement, to increase the additional development costs.
- This indicative approval is subject the scheme being successful in gaining ERDF funding for the scheme. In the event that the bid is not successful an indicative approval of £25.4 million from the Leeds Public Transport Investment Fund will be applied, which is the forecast scheme cost for a scheme which does not include the solar panels in the scope.

Timescales

- ERDF grant award period - November 2018
- Outline business case (decision point 3) - December 2018
- Secure planning permission - January 2019
- Land transfer from Highways England - January 2019
- Full business case with finalised costs (decision point 5) - February 2019
- Construction commences - April 2019
- Construction completed (decision point 6) - September 2020

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3 (Outline business case)	Recommendation: Investment Committee

	Approval: Combined Authority
Decision Point 5 (Full business case with finalised costs)	Recommendation: Programme Appraisal Team Approval: Combined Authority's Managing Director

Tolerances

Assurance tolerances
That the Combined Authority's contribution from the devolved Department for Transport Leeds Public Transport Investment Programme Fund should remain within 10% of the value set in this report. The delivery programme timescales should remain within 3 months of the timescales set out in this report.

Project responsibilities

Senior Responsible Officer	Gary Bartlett, Leeds Council
Project Manager	Sabby Khiara, Leeds Council
Combined Authority case officer	Asif Abed

Appraisal summary

- 2.69 The strategic case for the Stourton Park and Ride scheme has a clear fit with the Leeds City Region Strategic Economic Plan, specifically in delivery against Priority 4 Infrastructure for Growth - through increasing connectivity and supporting jobs growth, reducing congestion, and reducing carbon emissions. The scheme is in line with local planning policy, and will also deliver consequential benefits to Priority 1 Growing Businesses, Priority 2 Skilled People and Better Jobs, and Priority 3 Clean Energy and Environmental Resilience - specifically through delivery of a fully electric serviced park and ride site.
- 2.70 The scheme also has a strong commercial and management case with strong demand forecast figures, and public support for the new park and ride site, and Leeds City Council demonstrating delivery of successful park and ride sites at Temple Green and Elland Road (Phase 1 & 2) recently.
- 2.71 The scheme has a benefit cost ratio of 1.8:1, however this benefit cost ratio does not include significant wider economic benefits, and additional job creation in the City Region, which further heightens the value for money of the scheme, such as solar panels that will reduce on going site and electric bus service operational costs and deliver environmental and social benefits, supporting the City Region Clean Air Zone and inclusive growth proposals.
- 2.72 The Combined Authority will act as the accountable body, providing approval to fund the scheme through the Leeds Public Transport Investment Fund.

- 2.73 Leeds City Council will be the delivery lead with WSP as development partner, and BAM and Mott MacDonald appointed as delivery partners.
- 2.74 The scheme will continue reporting to the Leeds Public Transport Investment Programme Board.

Recommendations

- 2.75 That Combined Authority approves that:
- (i) The Stourton Park and Ride project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
 - (ii) An indicative approval is given to the total project value of £30.1 million, of which £27.3 million will be funded by the Combined Authority from the Leeds Public Transport Investment 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). This indicative approval is subject the scheme being successful in gaining ERDF funding for the scheme. In the event that the ERDF bid is not successful an indicative approval of £25.4 million from the Leeds Public Transport Investment Fund will be applied.
 - (iii) Further development costs of £635,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs).
 - (iv) The Combined Authority enters into an addendum to the existing funding agreement with Leeds City Council to increase by £635,000 from the Leeds Public Transport Investment Fund.
 - (v) Future approvals 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	Elland Road Park and Ride Phase 3
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

- 2.76 This scheme proposes to provide the second extension to the Elland Road Park and Ride facility. The facility first opened in July 2014 with the provision of 425 full specification parking spaces with an overspill area of 375 spaces to provide a total capacity of 800 spaces. In order to maintain the success of the scheme and accommodate a continued growth in patronage, the overspill car park was upgraded in 2016 (Phase 2) to the same quality as the spaces constructed in 2014, to provide an 800 space high quality P&R facility. Due to continued demand which sees park and ride users regularly using informal overspill parking in addition to the 800 formal spaces, Leeds City Council as part of Phase 3 propose expansion of the park and ride facility with the addition of up to 550 spaces and a further bus service - increasing bus capacity and service frequencies at the site to 10 buses per hour (in the peak hours) by 2020. The additional bus frequency will benefit existing users of the park and ride site, as well as cater for new growth. Phase 3 also includes provision for additional electric vehicle charging points in the expanded area.
- 2.77 The scheme supports delivery of Priority 4 'Infrastructure for Growth' of the Leeds City Region Strategic Economic Plan, but will also deliver consequential benefits to Priority 1 Growing Businesses, Priority 2 Skilled People and Better Jobs, and Priority 3 Clean Energy and Environmental Resilience.
- 2.78 The meeting of the Combined Authority on 29 June 2017 approved that the Leeds Public Transport Investment Programme (LPTIP) should proceed through decision point 2 with an indicative total Combined Authority funding approval of £183.266 million, and that £15.310 million be approved to fund project development costs. It also agreed that the schemes would now progress on an individual or package basis to outline business case

- 2.79 Within the aforementioned programme approval, the Elland Road Park and Ride Phase 3 scheme received an indicative allocation of £2.5 million towards scheme costs, with approval of £245,000 towards project development costs to progress the scheme to decision point 3 (outline business case).
- 2.80 The scheme cost has increased by £3.25 million to £5.75 million. This is due to:
- The initial cost estimate was for the addition of c. 400 spaces. The proposal now seeks to deliver up to +550, a decision taken following continued demand growth, and to make full use of the over spill car park land available.
 - The inclusion of a new link road directly off Junction 2 M621 for access to buses. The benefit of this link is that it ensures that journey times and high levels of reliability are maintained in the future - avoiding Elland Road. This is captured in the appraisal by keeping bus journey times constant over time, which would be optimistic were this element not included.
 - Extension to the previous link road end point with a new road along the full length of the park and ride site to fully access the enlarged number of spaces - a requirement to deliver the enlarged number of spaces.
 - Full risk capture costs following a desktop geotechnical study identifying high risk of contaminated land.

Outputs, benefits and inclusive growth implications

- 2.81 The forecast outputs, benefits and inclusive growth implications are:

Outputs and Benefits

- Add at least 500 spaces at Elland Road (+60% additional capacity) by 2019 (maximum 550).
- Improve bus capacity and service frequencies to 10 buses per hour (in the peak hours) at the site by 2020, benefitting both existing and new users.
- Reduce overall car demand into Leeds by over 500 vehicles per day, and contribute to improved air quality in the vicinity of the site and Leeds city centre.
- Maintain the current (very) high levels of user satisfaction with the current park and ride service on opening, and ongoing over the longer-term period of the SEP.
- A high value for money benefit cost ratio of 2.6:1

Inclusive Growth

- Improved public health through provision of electric vehicle charge points, encouraging uptake of electric vehicles and reducing carbon emissions.

- Improved quality of life with better connectivity and reduced journey times.

Risks

2.82 The key risks to the project and the related mitigation are:

- Following detailed design, scheme construction costs increase, affecting scheme affordability. Leeds City Council to hold early contractor engagement at design stage with risk workshops.

Costs

2.83 The project costs can be summarised as:

- The current total cost forecast for the scheme at decision point 3 is £5.75 million. This is a cost increase of £3.25 million from the allocation for the scheme made within the overall LPTIP programme at decision point 2.
- It is believed that the £3.25 million cost increase is affordable within the overall allocation for the Bus Park and Ride Package and as a result the Combined Authority will now fund £5.75 million from the devolved Department for Transport Leeds Public Transport Investment Programme Fund.
- The scheme now seeks a further £165,000 to progress project development to full business case with finalised costs which will take the total amount approved for development funding to £410,000.
- The Combined Authority will enter in to an addendum to the existing funding agreement, to increase the additional development costs.

Timescales

- Detailed design completed - November 2018
- Outline business case (decision point 3) - December 2018
- Secure planning permission- December 2018
- Full business case with finalised costs (decision point 5) - January 2019
- Construction commences - March 2019
- Construction completed (decision point 6) - December 2020

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3 (outline business case)	Recommendation: Investment Committee Approval: Combined Authority
Decision point 5 (full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team

Tolerances

Assurance tolerances

That the Combined Authority's contribution from the devolved Department for Transport Leeds Public Transport Investment Programme Fund should remain within 10% of the value set in this report.

The delivery programme timescales should remain within 3 months of the timescales set out in this report.

Project responsibilities

Senior Responsible Officer	Gary Bartlett, Leeds City Council
Project Manager	Sabby Khaira, Leeds City Council
Combined Authority case officer	Asif Abed

Appraisal summary

- 2.84 The strategic case for the Elland Road park and ride scheme has a clear fit with the Leeds City Region Strategic Economic Plan, specifically in delivery against Priority 4 Infrastructure for Growth - through increasing connectivity and supporting jobs growth, reducing congestion, and reducing carbon emissions. The proposal will also deliver consequential benefits to Priority 1 Growing Businesses, Priority 2 Skilled People and Better Jobs, and Priority 3 Clean Energy and Environmental Resilience.
- 2.85 The scheme also has a strong commercial and management case with significant demand growth and high levels of user satisfaction (and therefore public support towards the proposal to expand the park and ride site), and Leeds City Council demonstrating delivery of successful park and ride sites at Temple Green and Elland Road (Phase 1 & 2) recently.
- 2.86 The scheme BCR of 2.6 furthermore reflects a High Value for Money assessment of the proposal.
- 2.87 The Combined Authority will act as the accountable body, providing approval to fund the scheme through the Leeds Public Transport Investment Fund.
- 2.88 Leeds City Council will be the delivery lead with WSP as development partner, and BAM and Mott MacDonald appointed as delivery partners.
- 2.89 The scheme will continue reporting to the Leeds Public Transport Investment Programme Board.

Recommendations

- 2.90 That Combined Authority approves that:

- (i) The Elland Road Park and Ride Phase 3 project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the total project value of £5.75 million is given to be funded from the Combined Authority from the Leeds Public Transport Investment 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) Further development costs of £165,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) taking the total development cost expenditure approval to £410,000.
- (iv) The Combined Authority enters into an addendum to the existing Funding Agreement with Leeds City Council to increase by £165,000 from the Leeds Public Transport Investment Fund for expenditure of up to £410,000.
- (v) Future approvals 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	Leeds Enterprise Zone Power Solution
Stage	2 (Development)
Decision Point	4 (Full business case)

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

Background

- 2.91 A study by Arup (2015) identified an impending electrical supply shortage at the appropriate voltage to parts of the Leeds Enterprise Zone, which is situated within the Aire Valley. This is predominately due to the lack of existing infrastructure within this emerging development area. The prospect that there may be insufficient electricity capacity to fully develop out the Leeds Enterprise Zone is a major concern and a significant risk to the delivery of the objectives and targets for growth in the Enterprise Zone.
- 2.92 The immediate supply which has been delivered to the area through discrete infrastructure upgrades and reinforcements, is dwindling. Northern Powergrid (the incumbent supplier) is constrained by their financial model which prevents them from investing ahead of demand. As the nearest source becomes further away the associated connection costs are greater and the timescales for connections are longer. This leads to uncertainty and risk for developers which in turn impacts on attracting and securing new development, including inward investment to the Enterprise Zone.
- 2.93 As of June 2018 around 1 million sq. ft. has been developed or is currently being developed on site with power secured for a further 1.1 million sq. ft. However, there remains a further 1.4 million sq. ft. of floor space within the Enterprise Zone that will be directly influenced by an energy solution this includes the creation of 2,800 jobs.
- 2.94 Leeds Enterprise Zone (phase 1) power solution outline business case was approved on 1st December 2016 by the Combined Authority. This was for £10 million of grant funding to provide a substation with a 30 Mega Volt Amp (MVA). Since that time an alternative preferable solution has been worked up which enables Northern Powergrid (the local incumbent energy supplier) to carry out upgrading and expansion of the existing infrastructure to provide 18

(MVA) supply to the zone. This reduces public investment by £5 million, provides a more cost effective, shorter delivery time option and does not require building on greenbelt land. Moreover, it is proposed that the cost of delivery will ultimately be recovered from developers through passing on the related power supply costs for the individual sites when they are occupied.

- 2.95 The Leeds City Region Strategic Economic Plan (SEP) 2016-2036 identifies the Leeds Enterprise Zone as a priority for growth and investment. It also highlights the Zone's significant potential to create employment, particularly in manufacturing industries. The Combined Authority will retain business rate income generated in the Enterprise Zone until 2037 providing an opportunity to utilise this elsewhere in the city region, in effect multiplying the impact of growth.
- 2.96 The delivery of the infrastructure including all contracting arrangements and repayments will be overseen by a 'project manager' within LCC. Overarching governance will be provided by Leeds Enterprise Zone Strategic Board.

Outputs, benefits and inclusive growth implications

- 2.97 The upgrading and expansion of the existing infrastructure to provide an 18 Mega Volt Amp (MVA) supply to the zone will be completed by March 2021. The forecast benefits from this investment are:
- 2,800 Jobs created
 - 10 Businesses created /assisted
 - 1,323,996 sq. ft. of commercial floorspace to be constructed
 - 100,000 sq. ft. of learning floorspace to be constructed
 - Through making the site an attractive development prospect, Leeds City Council forecast that this scheme will contribute to the potential for the Combined Authority to earn up to £44.805 million income from the collection of business rates
 - Potential for the repayment of the £5million grant, through sales of the electricity supply, within a 10 year period through the establishment of a repayment mechanism when individual sites in the Enterprise Zone are taken up.

Risks

- 2.98 The key risks to the project and the related mitigation are
- £5 million is based on detailed discussions only to date. A quote is currently being prepared by Northern Powergrid and following formal acceptance a tender exercise will commence to formalise the costs of works. However it is within Northern Powergrid's business model that during the build programme costs of unforeseen works which exceed the contract contingency budget will be borne by the customer. Similarly any savings will be deducted from the contract sum. The overall cost per mega voltage amp will subsequently be recalibrated but the repayment

methodology will continue with the same potential for full repayment of grant.

- The programme of works being proposed is indicative but LCC need to manage timescales. Contractual discussions will consider staged payments to Northern Powergrid to maintain accelerated progress.

Costs

- 2.99 Leeds City Council have been advised that the cost should be circa £4.5 million plus potential additional contingency of 11.11% (£5 million). However a more accurate cost will be determined following formal acceptance of the quote from Northern Powergrid in November.
- 2.100 Stage one checks (including ground investigations and legal and planning approvals) will be undertaken which will then inform the tender exercise managed by Northern Powergrid. Leeds City Council have been assured that the regulated requirements state the lowest cost solution must be provided to the customer.
- 2.101 LCC have included development costs of around £70,000 within the £5 million to account for investigatory reports commissioned and officer time spent on negotiating and developing the bid.

Timescales

- Jan 19 – Forecast decision point 5 submission
- Jan 19 – LCC agree contract with Northern Powergrid for works
- Jan 19 – Northern Powergrid commence tender exercise
- March 19- tender returns and confirmation of contract sum
- March 19 – approval from Combined Authority
- April 19 - Works commence
- March 2021 – Works Complete

Assurance pathway and approval route

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

Tolerances

Assurance tolerances
Costs should remain within 10% of the Combined Authority contribution set out in this report.
Timescales should remain within 3 months of those set out in his report.

Project responsibilities

Senior Responsible Officer	Mark Mills, Leeds City Council
Project Manager	Adele Blacklock, Leeds City Council
Combined Authority case officer	Sarah Ratcliffe

Appraisal summary

2.102 The project makes strategic, commercial and economic sense strongly supporting growing businesses and delivering the infrastructure for growth. However as the project progresses to decision point 5 more detail is required around costing, project planning, project risks, roles and communication protocols as well as providing a mechanism for recouping costs and ensuring objectives are SMART.

Recommendations

2.103 That Combined Authority approves that:

- (i) The project proceeds through decision point 4 (full business case) and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the total project value of £5 million is given which will be funded by the Combined Authority from 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) Future approvals 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	A650 Bradford to Keighley Corridor (Hard Ings)
Stage	2 (Development)
Decision Point	4 (Full business case)

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

Background

2.104 The A650 Hard Ings Road is a strategically important route linking Bradford to Keighley and onward to Skipton via the A620 and Pendle area via the A6088. Most of the A650 is dual carriageway, except for a short section along Hard Ings Road. As such this is a key pinch point that causes congestion issues along the A650. This also has a negative impact on congestion in Keighley town centre.

2.105 This project will contribute to the overall objective of the West Yorkshire-plus Transport Fund to increase employment and productivity by completion of transport schemes that improve connectivity. In turn this will contribute to the objectives and targets of the Strategic Economic Plan by supporting economic growth.

2.106 This project is a proposal to widen the existing carriageway to provide two running lanes in each direction for the full extent of the section of Hard Ings Road, Keighley between the junctions with the A629 (Beechcliffe roundabout) and Bradford Road roundabout. The scheme length is approximately 0.7 km and will include:

- Widening of 0.7 km of carriageway to two lanes in each direction
- The installation of traffic signals at the existing Beechcliffe roundabout to improve efficiency and capacity of the junction
- An additional lane for traffic on the approach to Beechcliffe roundabout on the A629
- Installation of a signalised junction with pedestrian and cycle crossing facilities (Toucan crossing) at the junction of Hard Ings Road with Lawkholme Lane.

- Traffic light priority will be introduced at Bradford Road roundabout to assist with bus journey times
- A shared, two-way cycle and pedestrian footway along the southern side of Hard Ings Road between the Bradford Road roundabout and Keighley Retail Park between the proposed Toucan crossing and Royd Way
- New and replacement planting and landscaping, including green infrastructure, to mitigate the visual impact of the road and provide replacement habitats for flora and fauna
- Replacement street lighting

2.107 This project will be managed by City of Bradford Metropolitan District Council.

2.108 Gateway 1 approval (equivalent to decision point 3, outline business case) for this project was given in May 2014 against with a previous project approval of £10.3 million.

Outputs, benefits and inclusive growth implications

2.109 The forecast outputs, benefits and inclusive growth implications are:

- Improved accessibility
- Increase in network capacity for growth
- Reduced congestion
- Improved air quality by a reduction in CO2 emissions of 6,673 tonnes
- Improved environment
- The project aims to create/ safeguard 93 direct jobs
- An increase in Gross Value Added of £7.3 million (2009 prices) by 2036 is expected from this project.
- The benefit cost ratio for the scheme has been calculated at 6.24:1

Risks

2.110 The key risks to the project and the related mitigation are:

- Lack of available resources. This will be mitigated by early identification of required resources and a sound business case.
- Tender returns from contractors higher than anticipated. This will be mitigated through internal checks on the costs of the work elements.

Costs

2.111 The project costs can be summarised as:

- The full business case has presented a total scheme cost of £10.3 million.

- The scheme cost has remained consistent with that presented at outline business case (Gateway 1).
- Further development funding is requested for additional design, land purchase / CPO progression and associated compensation and fees, advance utilities costs and some advance works. The current funding approval for development costs is £1.142 million and an increase of £2.718 million to a total of £3.86 million is requested.

Timescales

- Full business case with finalised costs approval at decision point 5 is forecast for March 2019
- Construction is estimated to commence April 2019
- Forecasted completion date (decision point 6) is March 2020

Assurance pathway and approval route

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

Tolerances

Assurance tolerances
That the scheme costs remain within 5% of the costs identified within this report. That the project delivery timescale remains within 3 months.

Project responsibilities

Senior Responsible Officer	Richard Bruce, Bradford Council
Project Manager	Phil Wagstaff, Bradford Council
Combined Authority case officer	Mott MacDonald (external consultant on behalf of the Combined Authority)

Appraisal summary

2.112 The project sets out a clear link to policies and strategies and the need for improvements to be made to reduce congestion and unlock growth in the area has been identified.

- 2.113 There is a strong economic case for the scheme with a benefit cost ratio of 6.24:1, which is categorised as “very high value for money” according to the Department for Transport’s criteria.
- 2.114 The project has the majority of planning permission in place which reduces the risks for the project to proceed. Bradford Council also aim to proceed with contract preparation, procurement and land acquisition prior to the full business case with finalised costs, submission which enables the project to be delivery ready.

Recommendations

2.115 That Combined Authority approves that:

- (i) The Hard Ings Road Improvements, Keighley project proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs)
- (ii) An indicative approval to the total project value of £10.3 million is given 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) Further development costs of £2.718 million are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) to be funded from the West Yorkshire plus Transport Fund, taking the total project approval to £3.86 million.
- (iv) The Combined Authority enters into an addendum to the existing funding agreement with Bradford City Council for expenditure of up to £3.86 million from the West Yorkshire plus Transport Fund
- (v) Future approvals 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	York Outer Ring Road Phase 2 (Monks Cross)
Stage	2 (Development)
Decision Point	4 (Full business case)

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

Background

- 2.116 The York Outer Ring Road (YORR) programme includes improvements to seven existing Outer Ring Road roundabouts between the Wetherby Road and Monks Cross junctions. The YORR programme achieved Gateway 1 approval (equivalent to decision point 3 (outline business case) in the Combined Authority's Assurance process) at Combined Authority on 14 December 2014. The Gateway 1 approval allocated £37.6 million to the programme. It was subsequently agreed that the project would progress on a phased package basis with the programme business case being updated for each phase.
- 2.117 Phase 1 was approved by the Combined Authority's Managing Director on 19 March 2018. It is now on site and due for completion in January 2019.
- 2.118 Phase 2 will deliver improvements to the roundabout at the junction of A1237 (YORR), Monks Cross Drive, and North Lane, comprising:
- A1237 (YORR) approaches widened to three lanes;
 - A1237 (YORR) exits widened to two lanes;
 - Enlarge the roundabout;
 - Widening of minor arm approaches to match traffic flows.
 - Improved facilities for pedestrians and cyclists.

Outputs, benefits and inclusive growth implications

- 2.119 The forecast outputs, benefits and inclusive growth implications are set at a programme level for the York Outer Ring Road. These are:

- Enable better access to employment, retail, health and leisure sites in York which serve the surrounding population.
- Enhanced connectivity to the A1 (M) and other strategic destinations.
- Reduced end to end journey times around the northern section of the York Outer Ring Road by approximately 20% by 2021. The impact of the upgrades at some congested junctions, such as Haxby roundabout, will be more significant.
- Enhanced journey time reliability for cross-county movements (estimated to be 15-20% of traffic) between origins and destinations in North Yorkshire.
- Reduced localised congestion and delays on approach and exit from the junctions.
- Removal of through traffic from York City Centre due to the decongestion of the Outer Ring Road route.
- Improved safety through the reduction in road accidents.
- Improved air quality in the city centre resulting from improved traffic flows.

Risks

2.120 The key risks to the project and the related mitigation are

- Land assembly is required and still to be concluded. There is a potential impact to the programme should there be significant delays in concluding this. To mitigate this risk, land agents have been appointed to conclude the process and are seeking permissions for early entry to land for pre-construction works.
- As detailed costs are still to be confirmed there remains a risk of cost increases. City of York Council will undertake a robust review of final costs once known, as was carried out for Phase 1 works.

Costs

2.121 The project costs can be summarised as:

- Phase 2 costs estimated at £3.585 million (to be confirmed at decision point 5) to be funded by the Combined Authority from the West Yorkshire plus Transport Fund.
- Total programme costs forecast at £38.926 million.
- Additional development funding is not requested at this stage. Development costs of £2.45 million have been approved at a programme level.

Timescales

- Phase 2 - Forecast decision point 5 (full business case with finalised costs) approval - December 2018)
- Phase 2 - Forecast site start - January 2019
- Phase 2 - Forecast completion - October 2019

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 4	Recommendation: Investment Committee Decision: Combined Authority
Decision point 5	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director

Tolerances

Assurance tolerances
Costs should remain within 5% of the Combined Authority's contribution set out in this report. Timescales should remain within 3 months of those set out in this report.

Project responsibilities

Senior Responsible Officer	James Gilchrist (City of York Council)
Project Manager	Gary Frost (City of York Council)
Combined Authority case officer	Thomas Murphy

Appraisal summary

- 2.122 Overall the business case presented provides sufficient evidence and justification that Phase 2 should proceed. The Economic and Strategic Cases for Phase 2 are intrinsically linked to the programme as a whole, when considered at a programme level these cases are sufficiently developed to recommend progression. The programme's benefits cost ratio is 2.9:1.
- 2.123 Whilst benefits are being measured at a programme level, there will be localised benefits realised at this junction once improvement works are delivered.
- 2.124 The roundabout proposals are all being designed to accommodate future enhancement to dual carriageway standard for the A1237. A Transformational Project is also currently underway to develop an outline Strategic Business Case for dualling of the A1237.

2.125 City of York council have recently submitted a draft Outline Business Case for funding from the Department for Transport to support dualling of the A1237 between the A19 and Hopgrove Roundabout as part of the Major Road Network. An announcement has recently been made by the Transport Secretary that City of York Council have been successful. It is understood that work will now start to prepare a final Outline Business Case for submission to the Department for Transport in order to obtain greater security around the funding. Construction of the first improvements on the new Major Road Network are expected to start in 2020-21. In order to achieve an efficient design and construction process to incorporate the dual carriageway sections, there may be impacts on the programme for Phases 3 and 4. This will be confirmed in due course as further details on the MRN funding become available.

Recommendations

2.126 That Combined Authority approves that:

- (i) The York Outer Ring Road Phase 2 project proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs)
- (ii) An indicative approval to Phase 2 to the value of £3.585 million is given 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) Future approvals 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	Rail Park and Ride Programme Phase 1
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

2.127 The Rail Park & Ride Programme: phase 1 supports the growth in rail demand by increasing parking capacity at rail station car parks. The programme was first approved by the Combined Authority in February 2016 and is funded by the West Yorkshire plus Transport Fund. The development of each car park will provide the following:

- Additional standard car parking spaces
- Department of Transport compliant number of blue badge car parking spaces.
- Additional closed circuit television and low energy lighting
- Re-surfaced and re-marked existing car park surfaces
- Enhanced drainage infrastructure, with fuel and oil interceptors
- Provision for more sustainable travel modes if not already provided including: cycle stands, motorcycle bays, future proofing for two electric vehicle charging bays where appropriate.

Description of Change Request

2.128 Phase 1 included sites currently in public ownership (owned either by Network Rail or local authorities) where land acquisitions were not required and sites could be converted to car parks in shorter timeframes.

2.129 There are three key changes that have resulted in the requirement to re-programme within phase 1 Rail Park & Ride programme.

2.130 Initial feasibility for some sites has identified that land is not publicly owned and additional station car parking is no longer deliverable with sites being put

on hold or removed from the programme. Other schemes provide an opportunity to increase, above expectations, the number of parking spaces providing a greater return on investment. The re-programming within phase 1 will enable schemes not deliverable to be removed from the programme and facilitate the funding of larger scale schemes that are deliverable within the programme timescales.

- 2.131 This change request also proposes that resource costs that are incurred at a programme level to March 2021 are charged to the programme funding approval as a whole rather than to the individual schemes.
- 2.132 Project development costs for individual schemes are already approved, with the exception of the Ben Rhydding scheme. This scheme has now been further defined and costs estimated. Development costs are now required to develop the outline business case which will be considered by the Investment Committee at a future date.

Sites in delivery/complete

Site	Additional parking spaces
South Elmsall	50
Fitzwilliam	103
Mirfield A	25
Hebden Bridge	45

Sites in development – working towards full business case with finalised costs

Site	Additional parking spaces
Mytholmroyd	203
Normanton	134
ShIPLEY	153
Steeton & Silsden	123

Sites at feasibility stage

Site	Additional parking spaces
Apperley Bridge	394
Ben Rhydding	200
Garforth	97
Guiseley	334

Moorthorpe	83
Outwood	125

Sites with 3rd party land issues, on hold and transfer to phase 2

2.133 Phase 2 of the programme will include the following:

- Knottingley: Wakefield Council to secure option to purchase 3rd party land; if successful the Combined Authority will re-assess demand for parking at the rail station.
- Morley: 3rd party land contaminated with challenging infrastructure requirements, resulting in the scheme, as it is, being unaffordable. There is an opportunity for the Combined Authority, Network Rail and Leeds City Council to collaborate and re-evaluate the scheme.
- Mirfield B: the land identified for this scheme is now required by the landowner, Network Rail. Work will be conducted in phase 2 to identify the suitability of alternative sites.

Sites not progressing in the programme

- Horsforth, Menston, Brighouse and Pannal, where no suitable sites are available for enhanced provision.

Outputs, benefits and inclusive growth implications

2.134 The forecast outputs, benefits and inclusive growth implications are:

- Gross Value Added (GVA) at programme level - £8.2 million
- Employment benefit at programme level – an additional 117 jobs
- At programme level, spend will remain within £30.5 million yet has the potential to yield 30% more parking spaces than originally forecasted.
- Extend free rail car parking and enhance employment accessibility through the provision of additional car parking spaces
- Improve overall journey times through better access to the rail network
- Alleviate local streets from on-street parking by rail users
- Increase provision of Blue Badge parking bays
- Reduce car journeys and encourage modal shift onto rail through improved accessibility to the rail network.

Risks

2.135 The key risks to the project and the related mitigation are:

- The biggest risk to the programme is the issue of car park maintenance. The programme is capital funded and does not have the revenue funding

to cover the costs of ongoing maintenance therefore maintenance has to be finalised before each scheme can be approved at decision point 5 (full business case with finalised costs). Negotiations with Arriva Rail North (ARN) who are responsible for delivering half of the programme have resulted in their re-commitment to maintain the new car parks once completed. Discussions with district partners are ongoing.

- Programme: more complex schemes such as Guiseley and Apperley Bridge have challenging programmes which may result in delivery after March 2021. This is being mitigated by exploring if feasibility and design works can commence as soon as possible.

Costs

2.136 The programme costs can be summarised as:

- The total cost of the schemes in the programme in delivery and developed is £30.5 million.
- Project development costs £150,000 are requested for the feasibility and option selection for Ben Rhydding.
- Recharging the programme-level resource costs to the programme-level expenditure approval will require a funding increase of £540,000 taking the approval from £1.161 million to £1.701 million. This is affordable within the overall allocation for the programme of £30.5 million.

Timescales

- Forecast full approval of all sites by January 2020
- Forecast start of phased construction date by September 2020

Assurance pathway and approval route

Assurance pathway	Approval route
Stage 2 (Development) change request	Recommendation: Investment Committee Decision: Combined Authority
Each scheme within the Programme will proceed through its own assurance pathway and approval route as defined by the scale and complexity of each scheme.	

Tolerances

Assurance tolerances
That Combined Authority costs should remain within 10% of the costs outlined in this report. That timescales should remain within 6 months of the timescales set out in this report. That all scheme outputs remain within 20% of those detailed in the business case.

Project responsibilities

Senior Responsible Officer	Melanie Corcoran, Combined Authority
Project Manager	Sara Brook, Combined Authority
Combined Authority case officer	Paul Coy

Appraisal summary

- 2.137 The overall number of schemes within the Rail Park & Ride programme has changed from 16 to 14 yet still has the potential to generate 30% more spaces and therefore provides a more efficient use of resources.
- 2.138 The economic case for each individual scheme will be assessed as part of decision point 5 (full business case with finalised costs) approval and the accumulative benefits will be assessed at programme level towards 2021.
- 2.139 At programme level, the expenditure will remain within £30.5 million yet has the potential to yield 30% more parking spaces than originally forecasted.
- 2.140 The management case has become more complex. However Arriva Rail North have since re-affirmed their commitment to maintain the phase 1 car parks and discussions with district partners are ongoing.

Recommendations

- 2.141 That Combined Authority approves that:
- (i) The change request to the Rail Park & Ride Programme phase 1 re-programming and re-allocation of funds within the programme is approved. This highlights as to which schemes will progress in phase 1 and which schemes will be moved into phase 2.
 - (ii) Development costs of up to £150,000 for the Ben Rhydding scheme from West Yorkshire plus Transport Fund are approved, subject to confirmation from the City of Bradford Metropolitan District Council that land will be made available.
 - (iii) That the Rail Park and Ride Phase 1 programme-level expenditure approval will increase from £1.161 million to £1.701 million to be funded from the West Yorkshire plus Transport Fund.
 - (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

Project Title	Outwood Station Park and Ride
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

- 2.142 The Combined Authority Rail Park & Ride Programme is funded through the West Yorkshire plus Transport Fund. It consists of 14 sites adjacent to rail stations that are to be developed into car parking for the benefit of rail users.
- 2.143 The West Yorkshire Combined Authority approved Outwood Rail Station at decision point 2 in June 2017 at a total scheme value of £1.1 million including £110,600 developments costs. Wakefield Council is the land owner of the potential site and the car park extension will be delivered, operated and maintained by them. As part of the business case development four options were appraised. The selected preferred option does not require third party land acquisition and was the least expensive in terms of total scheme costs. The car park extension will include additional parking bays; LED lighting, closed circuit television, drainage and access road. This access road has been identified as a scope change and has been appraised as part of this change request.

Description of Change Request

- 2.144 An independent options appraisal was undertaken and a preferred option selected. Whilst this had the lowest total scheme costs and was considered to be the most effective option, costs have increased from those presented at decision point 2. However, this can be accommodated within the re-profiling of the Phase 1 programme.
- 2.145 The scope of the Rail Park & Ride Programme is restricted to the car park and does not allow for works to the station itself or highways; however the preferred option is only deliverable with the inclusion of a 400 metre access road and as a result requires a change to the scope of the scheme set out by the programme.

2.146 Wakefield Council have agreed to maintain the new access road and car park. This was originally out of scope, but when reviewing the other options this was considered to be the best approach and this will form part of the funding agreement.

Outputs, benefits and inclusive growth implications

2.147 The forecast outputs, benefits and inclusive growth implications are:

- 125 marked parking bays, access road, CCTV, drainage, lighting.
- Improved connectivity to the rail network and urban centres reducing overall journey times.
- The access road will provide a safe controlled access to the car park and is more cost efficient than the other options considered which would require 3rd party land acquisition in order to mitigate safety risks associated with the design.

Risks

2.148 The key risks to the project and the related mitigation are

- The anticipated demand for the car park is significantly lower than expected. Mitigation - This will be mitigated by performing surveys to review the benefits of the before and after scenarios.
- Additional parking may not increase use of the station, but transfer vehicles from the side roads currently being used. Mitigation - This will be mitigated by performing surveys to review the benefits of the before and after scenarios.
- Increase in funding required to accommodate within the overall Rail Park & Ride Programme as a result of this change request. Mitigation – A change request for re-programming the phase 1 Rail Park & Ride programme, which includes this revised scheme is being presented to the same Combined Authority meeting.

Costs

2.149 The project costs can be summarised as:

- The total estimated project costs for the scheme are £1.540 million. This is a £440,000 increase from the total scheme costs presented at decision point 2.
- Development costs have increased by £29,400 from the original approval of £110,600 to £140,000. As a result the Combined Authority will also enter into a funding agreement with Wakefield Council for expenditure up to £130,000

Timescales

- The forecast full approval is November 2019.

- The forecast completion date is November 2020.

Assurance pathway and approval route

Assurance pathway	Approval route
Activity 3 change request (Outline business case)	Recommendation: Investment Committee Decision: Combined Authority
Decision point 5 (full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director

Tolerances

Assurance tolerances
That Combined Authority costs should remain within 10% of the costs outlined in this report. That timescales should remain within 6 months of the timescales set out in this report. That if all scheme outputs decrease by more than 20%.

Project responsibilities

Senior Responsible Officer	Melanie Corcoran, Combined Authority
Project Manager	Sara Brook, Combined Authority
Combined Authority case officer	Paul Coy, Combined Authority

Appraisal summary

2.150 The strategic change with regards to option 2, would mean that an access road would need to be provided to the car park. The demand for the scheme is strong which will double the capacity. In terms of economic case the benefit cost ratio estimated at worst case is 2.3:1 which is good. It is expected that this will be improved after the tender process. The increase in costs is affordable as a result of the re-programming within phase 1 of the overall Rail Park and Ride Programme.

Recommendations

2.151 That Combined Authority approves that:

- (i) The change request to extend the scope at Outwood Rail Station is approved to include the provision of an access road.
- (ii) That indicative approval is given to the revised scheme costs of £1.540 million which will be funded from the West Yorkshire plus Transport Fund.

- (iii) That additional development costs of £29,400 are approved taking the total expenditure approval for project development to £140,000.
- (iv) Combined Authority enter into a funding agreement with Wakefield Council for expenditure up to the value of £130,000.
- (v) Future approvals are made in accordance with the assurance 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.

Projects in Stage 3: Delivery and evaluation



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

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 3** 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

Project Lapwing

8.1 That Combined Authority approves that:

- (i) The Lapwing project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs).

- (ii) An indicative approval to the Combined Authority's contribution of £1million (which will be funded through the Local Growth Fund's Strategic Inward Investment 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).
- (iii) Future approvals 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.

A61S Bus Priority Corridor, Leeds

8.2 That Combined Authority approves that:

- (i) The A61 South project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the total project value of £14.15 million is given from the Leeds Public Transport Investment 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) Future approvals 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.

Stourton Park and Ride

8.3 That Combined Authority approves that:

- (i) The Stourton Park and Ride project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval is given to the total project value of £30.1 million, of which £27.3 million will be funded by the Combined Authority from the Leeds Public Transport Investment 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). This indicative approval is subject the scheme being successful in gaining ERDF funding for the scheme. In the event that the ERDF bid is not successful an indicative approval of £25.4 million from the Leeds Public Transport Investment Fund will be applied.

- (iii) Further development costs of £635,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs).
- (iv) The Combined Authority enters into an addendum to the existing funding agreement with Leeds City Council to increase by £635,000 from the Leeds Public Transport Investment Fund.
- (v) Future approvals 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.

Elland Road Park and Ride Phase 3

8.4 That Combined Authority approves that:

- (i) The Elland Road Park and Ride Phase 3 project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the total project value of £5.75 million is given to be funded from the Combined Authority from the Leeds Public Transport Investment 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) Further development costs of £165,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) taking the total development cost expenditure approval to £410,000.
- (iv) The Combined Authority enters into an addendum to the existing Funding Agreement with Leeds City Council to increase by £165,000 from the Leeds Public Transport Investment Fund for expenditure of up to £410,000.
- (v) Future approvals 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

Leeds Enterprise Zone Power Solution

8.5 That Combined Authority approves that:

- (i) The project proceeds through decision point 4 (full business case) and work commences on activity 5 (full business case with finalised costs).

- (ii) An indicative approval to the total project value of £5 million is given which will be funded by the Combined Authority from 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) Future approvals 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.

A650 Bradford to Keighley Corridor (Hard Ings)

8.6 That Combined Authority approves that:

- (i) The Hard Ings Road Improvements, Keighley project proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs)
- (ii) An indicative approval to the total project value of £10.3 million is given 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) Further development costs of £2.718 million are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) to be funded from the West Yorkshire plus Transport Fund, taking the total project approval to £3.86 million.
- (iv) The Combined Authority enters into an addendum to the existing funding agreement with Bradford City Council for expenditure of up to £3.86 million from the West Yorkshire plus Transport Fund
- (v) Future approvals 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.

York Outer Ring Road Phase 2 (Monks Cross)

8.7 That Combined Authority approves that:

- (i) The York Outer Ring Road Phase 2 project proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs)
- (ii) An indicative approval to Phase 2 to the value of £3.585 million is given 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) Future approvals 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.

Rail Park and Ride Programme Phase 1

8.8 That Combined Authority approves that:

- (i) The change request to the Rail Park & Ride Programme phase 1 re-programming and re-allocation of funds within the programme is approved. This highlights as to which schemes will progress in phase 1 and which schemes will be moved into phase 2.
- (ii) Development costs of up to £150,000 for the Ben Rhydding scheme from West Yorkshire plus Transport Fund are approved, subject to confirmation from the City of Bradford Metropolitan District Council that land will be made available.
- (iii) That the Rail Park and Ride Phase 1 programme-level expenditure approval will increase from £1.161 million to £1.701 million to be funded from the West Yorkshire plus Transport Fund.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

Outwood Station Park and Ride

8.9 That Combined Authority approves that:

- (i) The change request to extend the scope at Outwood Rail Station is approved to include the provision of an access road.
- (ii) That indicative approval is given to the revised scheme costs of £1.540 million which will be funded from the West Yorkshire plus Transport Fund.
- (iii) That additional development costs of £29,400 are approved taking the total expenditure approval for project development to £140,000.
- (iv) Combined Authority enter into a funding agreement with Wakefield Council for expenditure up to the value of £130,000.
- (v) Future approvals are made in accordance with the assurance 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.

9 Background documents

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

<https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?CId=156&MID=736#A13626>

10 Appendices

- Appendix 1 – Background to the Combined Authority’s Assurance Framework
- Appendix 2 – Location maps for the schemes presented in this report
- Appendix 3– Business case summary for Project Lapwing (EXEMPT)

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Report to: West Yorkshire Combined Authority

Date: 13 December 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.

Assurance pathway 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

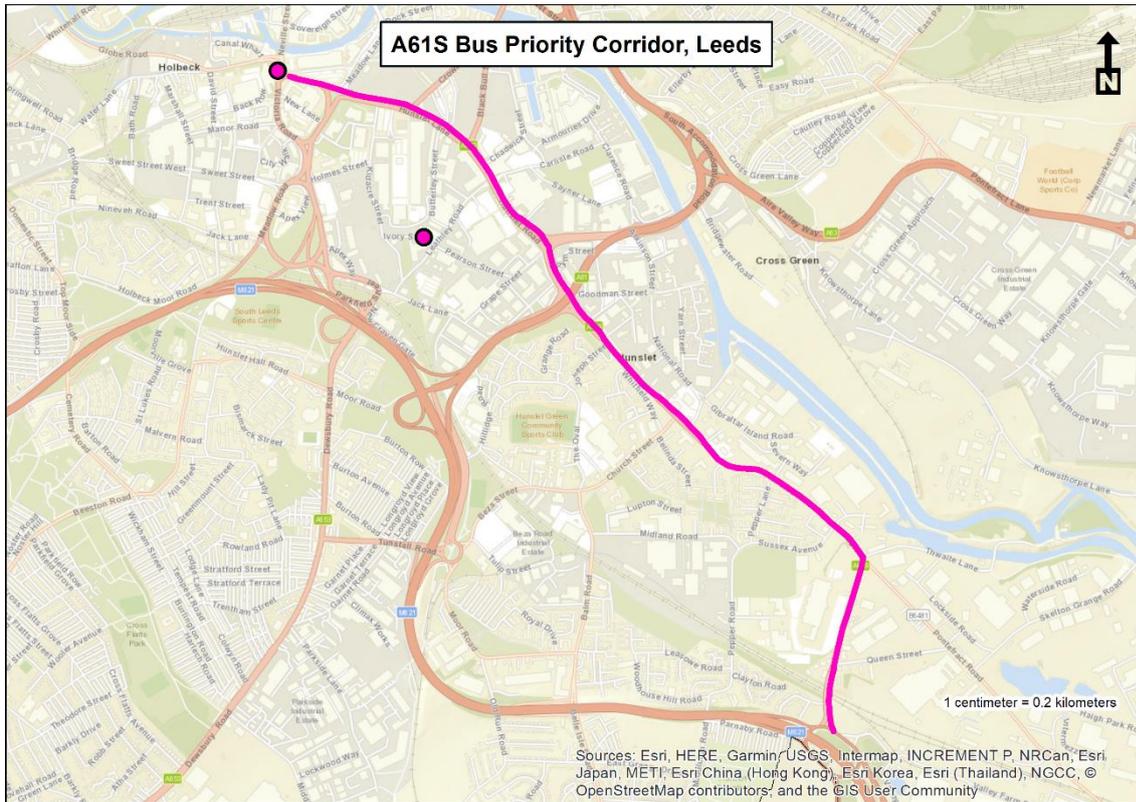
delegated decision can only be made by the Managing Director if this has received prior approval from the Combined Authority.

Assurance 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 assurance 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.

Scheme Location Maps

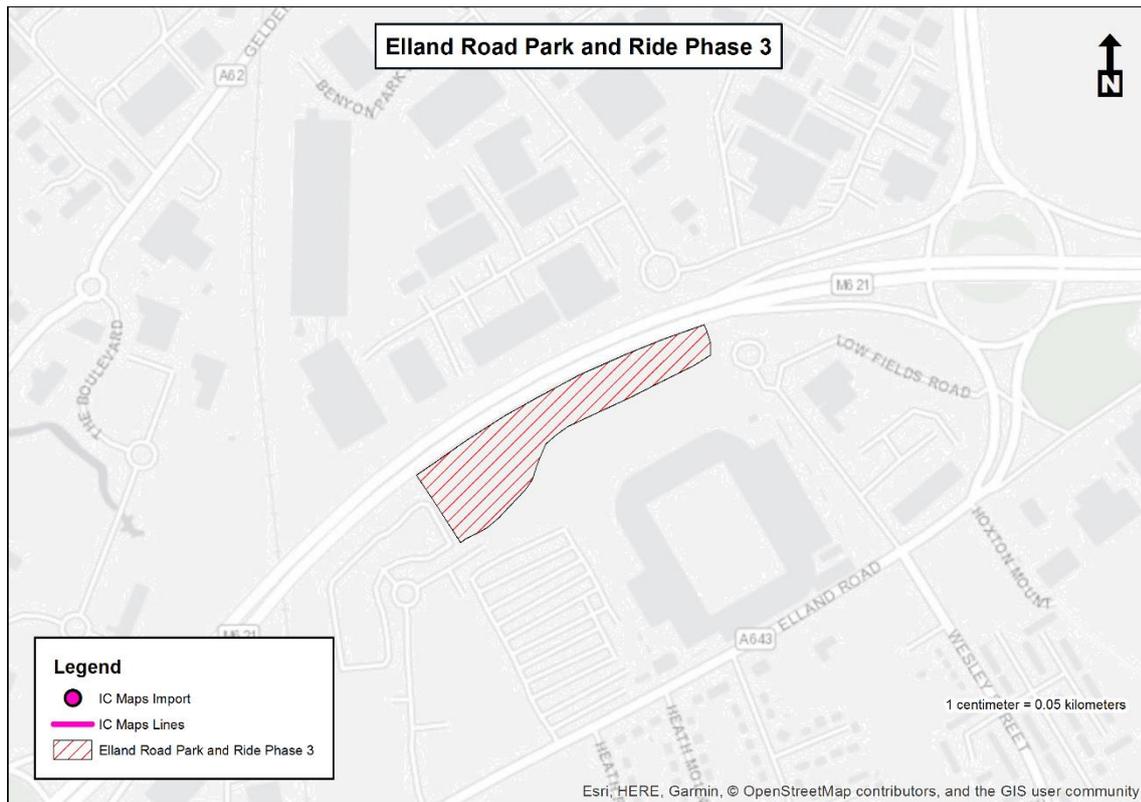
A61 South Bus Priority Corridor, Leeds



Stourton Park and Ride, Leeds



Elland Road Park and Ride Phase 3, Leeds



Leeds Enterprise Zone Power Solution, Leeds



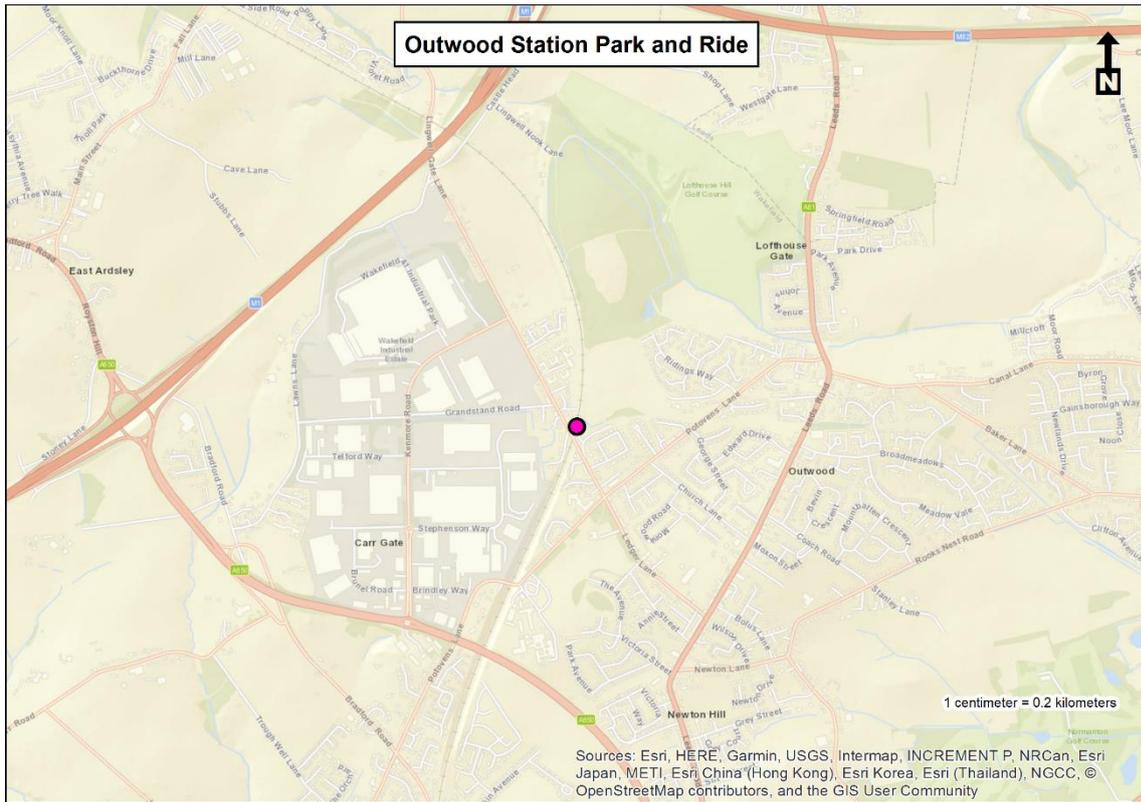
A650 Bradford to Keighley Corridor (Hard Ings), Bradford



York Outer Ring Road Phase 2 (Monks Cross)



Outwood Station Park and Ride, Wakefield



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Report to: West Yorkshire Combined Authority

Date: 13 December 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 Fund, for consideration by the Investment Committee at stages 1, 2 and 3 of the Combined Authority's assurance process.
- 1.2 Please note, at the time of preparing this report these schemes will not have been considered by Investment Committee which meets on 5 December. However, in order to expedite scheme delivery and to avoid any delay (the next meeting of the Combined Authority is on 14 February 2019) the report is being presented at this time. The recommendations within this report are based on those being put to Investment Committee. The Chair of the Investment Committee will provide a verbal update on the outcome of the 5 December Investment Committee's consideration of these schemes and whether there are any changes to the recommendations to be considered by the Combined Authority. Any significant changes will be presented in an addendum to the report.
- 1.3 This report presents proposals for the progression of 7 schemes through the Combined Authority's assurance process in line with the Leeds City Region Assurance Framework. These schemes have a total combined funding value of £61.823 million when fully approved, of which £47.474 million will be funded by the Combined Authority. A total expenditure recommendation to the value of £2.898 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
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Scheme	Scheme description	Decision sought
Investor Readiness Support Programme	<p>The project will support small and medium sized enterprises across the Leeds City Region to grow, become productive and provide better quality jobs by supporting them to attract the right amount and type of external investment by the provision of advice.</p> <p>The project closely aligns to priority 1 of the Strategic Economic Plan – Growing Businesses,</p> <p>The scheme will be funded from ESIF £714,500 and a public match from West Yorkshire Combined Authority via the Leeds City Region Business Rates Pool of £714,500</p> <p>The project will deliver good value for money in terms of cost per output for business support projects of this nature. The unit cost per business supported is £4,750, which is below similar existing ERDF-funded projects</p> <p>The scheme’s wider social benefits include allowing businesses to grow and create new jobs.</p>	<p>Approval to proceed through decision point 2 and work commences on activity 5 (full business case with finalised costs)</p> <p>Total value - £1.429 million</p> <p>Total value of Combined Authority funding - £1.429 million</p> <p>Funding recommendation sought - £0.</p>
Transformational – A1620 Leeds Northern Outer Ring Road Improvements, Leeds	<p>A scheme, which is part of the wider Transformational Programme, to undertake an initial feasibility study to identify what could be delivered from an expansion or upgrade of the Leeds Northern Outer Ring Road (A6120) between Dawsons Corner (A647) and Horsforth Roundabout (A65).</p> <p>The scheme supports delivery of Priority 4 ‘Infrastructure for Growth’ of the Leeds City Region Strategic Economic Plan.</p> <p>The feasibility work will be funded from the Transformational allocation</p>	<p>Approval to proceed through decision point 2 and work commences on the feasibility study which is the only output of this project</p> <p>Total value - £492,500</p> <p>Total value of Combined Authority funding - £392,500</p> <p>Funding recommendation sought - £392,500</p>

Scheme	Scheme description	Decision sought
	of the West Yorkshire plus Transport Fund.	
<p>Corridor Improvement Programme Phase 1 – A647 Dawsons Corner Leeds</p>	<p>To fully remodel and enlarge the four-arm signal-controlled roundabout, which is the junction of A6120 Outer Ring Road \ B6157 Bradford Road \ A647 Stanningley Bypass \ A647 Bradford Road in Pudsey. The scheme will contribute to goals of the Leeds City Region Strategic Economic Plan (SEP) by improving connectivity and better connecting people, jobs and goods.</p> <p>The scheme is funded primarily by the West Yorkshire plus Transport Fund Corridor Improvement Programme and partially by Leeds Public Transport Investment Programme.</p> <p>The scheme has a benefit to cost ratio of 11:1.</p> <p>Upgraded facilities for cycling and walking at the junction will encourage active travel and improve general fitness levels. Air quality should improve by both reducing congestion and improving journey reliability to reduce the frequent stopping, idling and acceleration that generate the highest levels of emissions. Landscaping features will also help collect harmful nitrogen oxides and the absorption of carbon dioxide.</p>	<p>Approval to proceed through decision point 3 and commence work on activity 4 (full business case)</p> <p>Total value: £20.159 million</p> <p>Total value of Combined Authority funding: £19 million.</p> <p>Corridor Improvement Programme West Yorkshire plus Transport Fund (£15 million, Leeds Public Transport Investment Programme (£4 million)</p> <p>Funding recommendation sought: £1.599 million</p>
<p>Corridor Improvement Programme Phase 1 - Dyneley Arms Leeds</p>	<p>To provide ‘quick win’ additional capacity required in the short and medium term to mitigate existing congestion, accommodate continued traffic growth and enable development in the Dyneley Arms junction area of Pool Bank New Road, Pool In Wharfedale. The scheme will contribute to</p>	<p>Approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case).</p> <p>Total value - £2.747 million</p> <p>Total value Combined Authority funding: £2.747</p>

Scheme	Scheme description	Decision sought
	<p>goals of the Leeds City Region Strategic Economic Plan (SEP) by improving connectivity and better connecting people, jobs and goods.</p> <p>The scheme is funded from West Yorkshire plus Transport Fund Corridor Improvement Programme.</p> <p>Dyneley Arms junction scheme currently has a benefit cost ratio of 1.6:1 which will be developed further at the next decision point.</p> <p>The scheme is anticipated to also improve journey times, increase journey reliability and potentially reduce carbon dioxide emissions.</p>	<p>Funding recommendation sought: £373,000</p>
<p>Corridor Improvement Programme Phase 1 – Fink Hill scheme Leeds</p>	<p>To deliver junction improvements which will assist with accessibility to key growth sites in north Leeds by enhancing outer ring road capacity whilst providing safer infrastructure for both pedestrians and cyclists. The scheme will contribute to goals of the Leeds City Region Strategic Economic Plan (SEP) by improving connectivity and better connecting people, jobs and goods.</p> <p>The scheme is funded by the West Yorkshire plus Transport Fund.</p> <p>The preferred option has a benefit cost ratio of 1.05:1.</p> <p>The wider benefits will include, environmental, health and well-being, connectivity, place making, network resilience, severance and improved drainage network.</p>	<p>Approval to proceed through decision point 3 and commence work on activity 4 (full business case)</p> <p>Total value: £4.150 million</p> <p>Total value of Combined Authority funding: £4.150</p> <p>Funding recommendation sought: £404,000</p>
<p>Corridor Improvement Programme Phase 1 – A650 Newton Bar scheme</p>	<p>To deliver a major junction improvement of an existing roundabout and approach roads around the A650 at Newton Bar, Wakefield. The</p>	<p>Approval to proceed through decision point 3 and work commences on activity 4 (full business case).</p>

Scheme	Scheme description	Decision sought
Wakefield	<p>scheme will contribute to goals of the Leeds City Region Strategic Economic Plan (SEP) by improving connectivity and better connecting people, jobs and goods.</p> <p>The scheme is to be funded by the West Yorkshire plus Transport Fund.</p> <p>The benefit cost ratio at outline business case is 25.6:1 (to be refined at full business case).</p> <p>The scheme's wider social benefits include health benefits by promoting active travel through provision of walking and cycling facilities, and improving air quality through reducing congestion.</p>	<p>Total value - £6.752 million</p> <p>Total value of Combined Authority funding - £6.708 million</p> <p>Funding recommendation sought - £129,800.</p>
<p>Institute of High Speed Railways and System Integration – Phase 1</p> <p>Leeds</p>	<p>A scheme to create two initial world-leading test facilities (infrastructure and vehicle) for the new institute in Leeds. The scheme will contribute to the Strategic Economic Plan most specifically to priority 2: skilled people, better jobs.</p> <p>It will be funded through the Combined Authority's Local Growth Fund and University of Leeds match funding.</p> <p>The strategic case includes a high level value for money assessment which indicates that the project will offer good value for money. The benefits include leveraging in investment in the region contributing to job and gross value added increases and establishing an international reputation for Leeds City Region in the sector.</p>	<p>Approval for Phase 1 of the scheme to proceed beyond decision point 3 (outline business case) and work commence on activity 5 (full business case with finalised costs).</p> <p>Total value - £26.093 million (increase from £22.88 million at decision point 2).</p> <p>Total value of Combined Authority funding - £13.047 million (increase from £11.44 million at decision point 2).</p> <p>Funding recommendation sought - £0</p>

1.4 This report also presents recommendations for the following scheme that has had a change request report assessed in line with the Combined Authority's assurance process. This schemes has a total funding of value of £34 million when fully approved, all of which will be funded by the Combined Authority. A total expenditure recommendation to the value of £7 million is sought as part

of this report for the development and delivery of this scheme. Further details on the scheme summarised below can be found as part of this report.

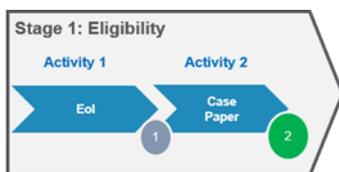
Scheme	Scheme description	Decision sought
Business Growth Programme	This is an extension to an already successful investment programme providing businesses with grants to accelerate/enable investment leading to the creation or safeguarding of an additional 560 jobs.	<p>The change request is to approve a £7 million extension to the expenditure approval of the Business Growth Programme to capitalise on the on-going successful uptake of the scheme by businesses across the region.</p> <p>A £7 million approval to allow the extension of the programme is sought as part of this report, which would take the total expenditure approval for the Business Growth Programme to £34 million.</p>

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 Location maps for each of the schemes presented in this report (where applicable) are provided in **Appendix 2**.

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	Investment Readiness Project
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 project will support the growth of SMEs across Leeds City Region by providing them with an impartial and confidential advice service on how to prepare for, and access, the full range of finance options available to them. This will include finance products and services delivered by the private and public sectors, including the LEP's grants and loans, the Northern Powerhouse Investment Fund, Start-Up Loans, R&D Tax Credits, Innovate UK, mainstream commercial finance and new technology-led options, such as crowdfunding, factoring and bitcoin.
- 2.5 It will meet a clear gap in the market in Leeds City Region for a responsive and bespoke support service that can help businesses increase their productivity, and benefit their local economies, by accessing the external finance required to realise their growth plans, in the process creating good quality jobs. It will focus on the importance of producing detailed and compelling investment propositions and business plans, and on maintaining tight controls on the financial management of businesses, something that can often be the deciding factor for an investor.
- 2.6 The Investment Readiness project will support at least 300 small and medium-sized enterprises (SMEs) across the City Region to grow, become productive and provide better quality jobs by supporting them to attract the right amount and type of external investment. It will also directly create at least 50 jobs in the SMEs supported, and facilitate significantly more employment creation indirectly by enabling firms to attract investment and then grow as a result. It is estimated that this could create up to an additional 1,000 new jobs over the future years.
- 2.7 This clear focus on directly supporting business growth will contribute to generating increased business rates receipts for Local Authorities over the coming years.

- 2.8 The project closely aligns to priority 1 of the Strategic Economic Plan – Growing Businesses, with a clear focus on access to finance as well as the Business Rates Pool Prospectus, by helping SMEs to access the full range of finance and external funding options available to them, in order to create good quality employment and business growth opportunities within the City Region. Furthermore, the project will create growth and employment that enables businesses to start-up, scale-up, innovate, train their staff and enter new markets

Outputs, benefits and inclusive growth implications

- Increased awareness and take-up of support available across the City Region.
- Increase in SME productivity, investment, turnover and jobs created.
- Increase in business inward investment a more buoyant and joined-up marketplace for SME finance in the City Region,
- Higher levels of private investment into SME growth.
- The scheme will support at least 300 small and medium-sized enterprises (SMEs) across the city Region to grow. The ESIF bid has a contractual requirement to provide 12 hours of support to 150 SMEs over the 3 year funding period.
- It is anticipated that the 50 new jobs will be created by those SMEs that receive the most intensive support (typically the one-to-one coaching, which is expected to be taken up by circa 50 SMEs i.e. an average of one job created by each of them).
- The project will deliver good value for money in terms of cost per output for business support projects of this nature. The unit cost per business supported is £4,750, which is below similar existing ERDF-funded projects currently in delivery in the City Region (e.g. Ad:Venture, Strategic Business Growth, Access Innovation and Digital Enterprise), and the cost per business supported intensively (equating to at least 12 hours of support) is also relatively modest at £9,500.

Risks

- 2.9 The key risks and mitigating actions for this scheme are:

- Difficulty in procuring suitable sub-contractor
- Mitigation – consultation and engagement with possible contractors has already begun via a market awareness session attended by almost 30 organisations with an interest in delivering the contract. The external procurement exercise will commence in January 2019. The same rigorous tender assessment and award process will be used as for the current Strategic Business Growth project
- Loss of ERDF funding if contractual outputs are not met

- Mitigation – The Business Support Team is currently operating three similar ERDF-funded projects and, therefore, can use the same effective and efficient processes already in place to manage this one successfully. The team, and wider organisation, possess the knowledge and expertise to manage contractor performance.
- Project will be reliant on the contractor performing well for the scheme to be successful.
- Mitigation - robust and detailed processes will be followed for procurement, contracting and monitoring. These are in place for the Strategic Business Growth project and are operating effectively.

Costs

2.10 The total scheme cost is £1.429 million.

2.11 The scheme will be funded from ESIF funding of £714,500 and a public match from West Yorkshire Combined Authority via the Leeds City Region Business Rates Pool of £714,500. Both sources of funding have already been secured.

Timescales

- Decision point 5 (full business case with finalised costs) will follow procurement in February 2019.
- Recruitment of project team will commence in December 2018.
- Full Project launch i.e. delivery to SMEs commences in April 2019.
- Project delivery will complete in December 2021.

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 2 (case paper)	Recommendation – Investment Committee Decision - the Combined Authority
Decision point 5 (full business case with finalised costs)	Recommendation – Programme Appraisal Team Decision - the Combined Authority's Managing Director delegated decision

Assurance Tolerances

Assurance tolerances
That the scheme costs remain within the figure set out in this report That the project delivery timescale remains within three months of the timescales identified within this report.

Project responsibilities

Senior Responsible Officer	Henry Rigg
Project Manager	TBC
Combined Authority case officer	Sarah Thacker

Appraisal summary

- 2.12 There is a strong case for this scheme and the Combined Authority and its partners are ideally placed to commence delivery quickly and in line with the scheme objectives.
- 2.13 The biggest risk is the potential withdrawal of ERDF funding if the contractual outputs are outside the 10% tolerance. However, the Business Support Team is experienced in delivering ESIF/ERDF projects and is familiar with the required documentation and processes, and has processes in place that it can execute for this scheme e.g. output monitoring forms, progress reports, claims documents and risk registers.
- 2.14 The economic case was completed in line with stringent and robust ESIF/ERDF requirements.

Recommendations

- 2.15 That the Combined Authority approves that:
- (i) The Investment Readiness project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs).
 - (ii) An indicative approval to the Combined Authority's contribution of £1.429 million is given (which will be funded from £714,500 from the Leeds City Region Business Rates Pool and £714,500 from ESIF), with Full Approval to spend being granted once the scheme has progressed through the Assurance Process to Decision Point 5. The total project value is £1.429 million with funding already secured.
 - (iii) Future approvals 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 subject to the scheme remaining within the assurance tolerances outlined within this report.

West Yorkshire plus Transport Fund Transformational Schemes

- 2.16 The West Yorkshire plus Transport Fund Transformational Schemes is a programme of potentially transformational schemes. There is an approved £12.5 million allocation for the development and scoping of these schemes. Transformational change will allow for the economic growth aspirations identified in the Strategic Economic plan to be realised and this available funding will fund early pre-feasibility development of projects to be considered from a strategic case perspective.
- 2.17 Works under the transformational projects route would be to establish and understand the strategic case for a project. The district partners which are promoting the schemes are clear that the allocation of feasibility funding does not guarantee projects being future funded through the West Yorkshire plus Transport Fund. It is anticipated that the feasibility works undertaken as a result of this funding will provide sufficient detail for a submission to other sources of funding.
- 2.18 At the point of gaining approval from the Combined Authority for £12.5 million the A6120 Leeds Northern Outer Ring Road scheme was not originally listed as Leeds City Council were still in discussions on which scheme should be brought forward. By adding this scheme, which requires a Combined Authority contribution of £392,500, the programme remains within the original allocation of £12.5 million.

Project Title	Transformational - A6120 Leeds Northern Outer Ring Road Improvements, Leeds
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

- 2.19 The A6120 Leeds Northern Outer Ring Road Improvements is being considered for pre-feasibility funding under the transformational projects criteria where funds are sought for strategic scoping, master planning and

concept design as well as assessing the contribution the scheme would make to the West Yorkshire/Leeds City Region economic growth.

2.20 The Transformational Programme has been initially allocated £12.5 million for the development of transformational projects which will be delivered post 2025. The A6120 Leeds Northern Outer Ring Road Improvements is the submission from Leeds City Council.

2.21 This project is to perform an initial feasibility study to identify what could be delivered from an expansion or upgrade of the Ring Road between Horsforth Roundabout (A65) and Dawsons Corner (A647). There are currently two schemes progressing at Dawsons Corner, one from the Corridor Improvement Programme to upgrade the roundabout and the second from the Leeds Public Transport Investment Programme to improve public transport. Improvements to this area will enable a transformation of the highway network and alleviate congestion bottlenecks caused by a limited highway capacity.

Outputs, benefits and inclusive growth implications

2.22 This project is to conduct a feasibility study only. Outputs of the feasibility study include:

- Bridge assessments to be undertaken/funded by LCC
- Appraisal summary report
- Options appraisal report
- Environmental constraints and impacts review
- A Northern Outer Ring Road strategy
- A strategic outline business case

Risks

2.23 The feasibility study will provide options that could be carried out to improve traffic constraints in the area. There is a risk that the delivery of the project will not proceed due to a lack of clarity around future funding availability.

Costs

- The total project cost is £492,500.
- The Combined Authority contribution is £392,500.
- Leeds City Council are providing £100,000 for the bridge assessment aspect of the feasibility study to be carried out.
- The Combined Authority will need to enter into a funding agreement with Leeds City Council for up to £392,500.
- Total scheme costs will be confirmed following this initial work.

Timescales

- The feasibility study will be completed by 2021.

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 2 (case paper)	Recommendation: Combined Authority's Investment Committee Decision: Combined Authority

Assurance Tolerances

Assurance tolerances
That the Combined Authority contribution should remain within the amount set out in this report.

Project responsibilities

Senior Responsible Officer	Gary Bartlett, Leeds City Council
Project Manager	Paul Roberts, WSP
Combined Authority case officer	Heather Briggs

Appraisal summary

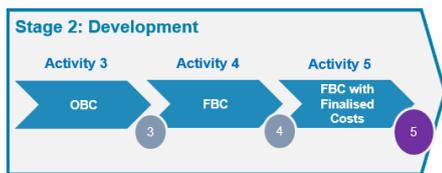
- 2.24 There is a clear need for a project in this area to improve journey times due to the severe congestion causing delays to all road users. The congestion also limits housing developments and economic growth. This work will enable a project to be defined which will improve access to Leeds Bradford Airport, jobs, public transport and education which meets the transformational programme criteria that was endorsed by the Combined Authority in 2014.
- 2.25 The feasibility study will identify options to consider for a project to progress in the future. Consultants will assist with the development of the feasibility study with the aim for this to be completed by 2021.

Recommendations

- 2.26 That the Combined Authority approves that:
- (i) The A6120 Leeds Northern Outer Ring Road Improvements (A647 to A65) proceeds through decision point 2 and work commences on the feasibility study.
 - (ii) An expenditure approval is given to the total value of £392,500 to Leeds City Council to fund a feasibility study.

- (iii) That the Combined Authority enter into a funding agreement with Leeds City Council for expenditure of up to £392,500 to be funded from the West Yorkshire plus Transport Fund.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report 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 2: Development



- 2.27 Projects at this 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

- 2.28 The Corridor Improvement Programme (CIP) 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.
- 2.29 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.
- 2.30 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.
- 2.31 The Corridor Improvement Programme received decision point 2 (case paper) approval from the Combined Authority in 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. At decision point 2, a total forecast cost for phase 1 of the programme received an indicative approval of £67.754 million, £62.441 million West Yorkshire plus Transport Fund and £5.313 million third party contributions. Phase 1 of the CIP has a total development cost approval of £4.483 million in order to progress the schemes to outline business case stage.
- 2.32 Following consultation on the future steps that should be taken to manage the programme, it is proposed that the costs for individual Phase 1 schemes within the Corridor Improvement Programme should remain within the indicative budget allocation for each Partner Council within the CIP Programme. Where the forecast costs of schemes are increasing above the Partner Council indicative budget allocation, the schemes should either:

- be re-designed to meet the indicative budget envelope of the Partner Council or;
 - the Partner Council should prioritise which schemes they wish to take forward which fit within the indicative budget envelope.
- 2.33 As the outline business cases for the individual Corridor Improvement Programme schemes are received and appraised by the Combined Authority, it has emerged that a Change Request for the programme as a whole is required in order to re-baseline individual scheme allocations, funding and tolerances. It is intended that this Change Request will be brought for consideration by Investment Committee and Combined Authority in February 2019.
- 2.34 This report contains proposals for the progression of four schemes through decision point 3 (outline business case). These schemes are being progressed now, as they are judged to be within the principles of the Investment Committee proposals and the intended programme change request. Three of the schemes are located within the Leeds District and one in Wakefield. At decision point 2, Leeds Council received a Phase 1 allocation of £23.95 million of West Yorkshire plus Transport funding. All of the Leeds schemes have now progressed to outline business case and are requesting a combined total of £21.897 million of West Yorkshire plus Transport funding and as result remain within the Leeds City Council Phase 1 allocation. At decision point 2, Wakefield Metropolitan District Council received a Phase 1 allocation of £4.236 million of West Yorkshire plus Transport funding.
- 2.35 An additional scheme in Wakefield was added to the programme in early 2018. The scheme at the Owl Lane / A638 roundabout in Ossett was approved with a forecast cost of £2.561 million and development costs of £75,000. This increased the Phase 1 allocation to £6.797 million of West Yorkshire plus Transport funding.
- 2.36 The A650 Newton Bar scheme has progressed to outline business case, but the A638/ Owl Lane scheme is not expected for submission until early 2019. It is understood that scheme costs have increased on both schemes and that Wakefield would require a combined total of £10.490 million of West Yorkshire plus Transport funding to deliver both schemes. This amount would exceed the Phase 1 allocation for Wakefield Council.
- 2.37 Due to the increase of the scheme costs over and above the Wakefield Phase 1 CIP allocation, Wakefield will now only take forward the A650 Newton Bar scheme. It should however be noted that outline business case work will be completed on the A638/ Owl Lane scheme. With this change the Wakefield CIP scheme will remain within the Wakefield Phase 1 allocation of £6.797 million.

Project Title	Corridor Improvement Programme Phase 1 – A647 Dawsons Corner
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

- 2.38 The Dawsons Corner project is part of Phase 1 of the CIP. At decision point 2 this scheme had an indicative allocation of £15 million from the Corridor Improvement Programme. An allocation of £4 million was also allocated from the Leeds Public Transport Investment Package.
- 2.39 The preferred option for the Dawsons Corner project, which is being promoted by Leeds City Council, is a full remodel and enlargement of the four-arm signal-controlled roundabout, which is the junction of A6120 Outer Ring Road / B6157 Bradford Road / A647 Stanningley Bypass / A647 Bradford Road in Pudsey.
- 2.40 The Calder Valley line runs to the south of the junction through the Wood Nook Tunnel. There is an option to continue widening on the Stanningley bypass approach to the junction which would require widening of the Wood Nook Tunnel.
- 2.41 New Pudsey rail station is located to the southeast of Dawsons Corner. A car park expansion at the station is currently being planned. This will increase car parking from c.400 to c.800 spaces, allowing the station to be used for Park and Ride (P&R), reducing car trips to Leeds and Bradford. Addressing current capacity constraints at Dawsons Corner will simplify and making access to the station more reliable, whilst increasing parking capacity will make P&R more attractive, encouraging sustainable modal shift and helping to address future traffic growth
- 2.42 The scheme will contribute to goals of the Leeds City Region Strategic Economic Plan (SEP) by improving connectivity and better connecting people, jobs and goods.

Outputs, benefits and inclusive growth implications

2.43 The key benefits associated with this scheme are:

- To accommodate future traffic growth at this key junction, to accommodate the cumulative effect of traffic from future housing units and other development as planned for in both the Leeds and Bradford site allocations plans;
- To facilitate increased capacity at New Pudsey rail station park and ride site from approximately 400 spaces to approximately 800 spaces;
- To reduce peak hour delay for all modes at the junction and to increase journey time reliability;
- To enhance the Leeds-Bradford Cycle Superhighway facilities in this location by enhancing the at-grade crossing facilities with formal signal controlled crossings;
- Support bus priority facilities at a key Leeds Public Transport Investment Programme (LPTIP) intersection;
- To reduce peak hour bus delays at the junction and to reduce journey time variability;
- To contribute to LPTIP objectives on the Leeds Bradford corridor by accommodating bus priority features into any junction improvement works in conjunction with the wider A647 corridor improvement works proposed under the LPTIP;
- To reduce air pollution caused by standing traffic; and
- To contribute to the wider CIP benefit of creating an additional 2,500 West Yorkshire jobs and 3,500 West Yorkshire residents in employment.

2.44 The scheme appraisal has used two specialist modelling tools, both of which are too limited for the scope of this scheme. An evaluation part way between each modelling outcome has been used for the purposes of this outline business case stage. The modelling approach would need to be confirmed, assessed and agreed by Leeds Council and the Combined Authority prior to commencement of any works at full business case stage.

2.45 There are also expected to be wider social benefits with the scheme, including an increase in walking and cycling and consequently potential health benefits. The scheme also has the potential to have a beneficial impact on air quality. Firstly the reduction in traffic congestion and improvements to journey reliability. Secondly, the provision of landscaping features will help collect harmful vehicle emissions.

2.46 The scheme currently has a high benefit to cost ratio (BCR) of 11:1 but due to the limitations of the modelling tools used as noted in paragraph 2.44 above the BCR is likely to reduce but still expected to remain high value for money.

Risks

2.47 The key risks along with the mitigation are outlined below:

- Risk: Network Rail may require formal possessions of the railway line for the full duration of works to widen the Woodnook railway tunnel which may cause delays to the programme and increase costs. Mitigation: Two possible solutions which may enable works to be undertaken without full possessions are being considered. Initial engagement is underway with landlords Network Rail.
- Risk: Ground investigation scope may be limited by presence of Japanese knotweed. Mitigation: Delay part of the ground investigations and adapt programme if required until after the Japanese knotweed has been treated.
- Risk: Cost estimates for statutory undertaking equipment (underground utilities etc.) diversions may be insufficient. Mitigation: Robust estimate in lieu of lack of information - accept risk. Consider design amendments if returns are significantly higher than anticipated.
- Risk: There may be excessive traffic disruption during the construction period. Mitigation: Development of traffic management plan to phase the works to minimise impact on general traffic.

Costs

2.48 The total scheme costs are £20.159 million.

2.49 The indicative budget allocation for Leeds Council CIP schemes at expression of interest stage was £23.950 million. The current cost of the three Leeds Council CIP schemes is £21.897 million, excluding Leeds Public Transport Investment Programme (LPTIP) funding and therefore the scheme is affordable within the Corridor Improvement Programme.

2.50 Phase 1 of the Corridor Improvement Programme received a total development cost approval of £4.483 million, of which £1.008 million was allocated for the development of this scheme to outline business case. The additional amount required to take the scheme to decision point 5 (full business case with finalised costs) is £1.599 million, including £499,000 additional development costs and £1.1 million land assembly costs. This brings the total development funding to £1.507 million. This equates to 7.5% of the total scheme costs.

2.51 An indicative approval to the Combined Authority's contribution of £19 million (which will be funded through £15 million from the CIP Phase 1 fund and £4 million from the LPTIP fund) is sought 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 £20.159 million with the remaining funds to come from Section 106 contributions.

- 2.52 The Combined Authority will be required to issue an addendum to the existing funding agreement with Leeds Council for expenditure of up to £1.599 million from the West Yorkshire plus Transport Fund taking the total approval to £2.607 million. This development funding is required for full business case development, design development, invitation to tender and evaluation of tenders for construction and land assembly.
- 2.53 The total cost of the A647 Corridor Bus Priority scheme within Leeds Public Transport Investment Programme (LPTIP) is £13.7 million of which £4 million was identified at decision point 2 for Dawsons Corner junction improvements. The costs for the element to be funded from the LPTIP are to remain within the current LPTIP budget allocation.

Timescales

- 2.54 The timescales of the project beyond outline business case approval are:
- Delivery partner tender award – March 2019
 - Planning permission – August 2019
 - Detailed design \ full business case (full business case) – August 2019
 - Full business case submission activity – 4 September 2019
 - Full business case approval – 4 November 2019
 - Decision point 5 approval (full business case with finalise costs) – December 2019
 - Construction activity 6 – January 2020
 - Scheme completion – June 2021
 - Post completion review activity – 7 July 2021
 - Monitoring & evaluation (1 year post opening) – 8 June 2022
 - Monitoring & evaluation (5 years post opening) – June 2026

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3 (outline business case)	Recommendation: Combined Authority's Investment Committee Decision: Combined Authority
Decision point 4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team 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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Assurance Tolerances

Assurance tolerances
That Combined Authority 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	Melanie Corcoran, Combined Authority
Project Manager	Mohammed Mahmood, Leeds City Council
Combined Authority case officer	Nick Fairchild

Appraisal summary

- 2.55 The promoters, Leeds City Council, have demonstrated a need for the project by setting out the current situation of a heavily congested junction at a key part of the Leeds outer ring road on the West Yorkshire Key Route Network. This congestion would act to constrain local growth and development unless addressed, especially considering traffic demand is predicted to increase by approximately 18% by 2036. Junction improvements at Dawsons Corner would contribute to Leeds City Region Strategic Economic Plan (SEP) with particular emphasis on Priority 4 - an integrated, accessible transport system, including investment in transport infrastructure and services, to support the growth and regeneration of prioritised areas within the city region.
- 2.56 A number of options for remodelling Dawsons Corner to address the current and future issues described above have been assessed by Leeds City Council. The preferred option has been identified based on its ability to address existing congestion issues and its compatibility with recently delivered highway improvement schemes in the area as well as parallel schemes currently under development on the LPTIP A647 Corridor, New Pudsey Station Parking Expansion, Future Dualling of ORR between Dawsons Corner and Horsforth Roundabout. The scheme development has also been cognisant of future local housing developments which will increase the demand on the junction across Leeds and Bradford. The best performing option from the initial option testing study involves splitting roads over more than one level, which poses significant environmental and deliverability challenges, with significantly higher costs for limited additional benefits, therefore offers poor value for money – thus the promotion of the preferred option and not the best performing option in pure transport benefit terms.

Recommendations

- 2.57 That the Combined Authority approves that:

- (i) The Dawson's Corner project proceeds through decision point 3 and work commences on activity 4 (full business case).
- (ii) An indicative approval is given to the total project value of £20.159 million, with the Combined Authority's contribution of £19 million (which will be funded through £15 million from the CIP Phase 1 fund and £4 million from the LPTIP 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 £20.159 million.
- (iii) That development costs of £1.599 million, (including £499,000 additional development costs and £1.1 million land assembly costs) are approved in order to progress the scheme to decision point 5 (full business case with finalised costs), taking the approval to £2.607 million
- (iv) That the Combined Authority issue an addendum to the existing funding agreement with Leeds Council for additional expenditure of up to £1.599 million from the West Yorkshire plus Transport Fund taking the total value to £2.607 million.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report 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	Corridor Improvement Programme Phase 1 – Dyneley Arms
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

- 2.58 The A660/A658 Dyneley Arms project is part of Phase 1 of the Corridor Improvement Programme (CIP). At decision point 2 this scheme had an indicative allocation of £8 million from the CIP.
- 2.59 This scheme proposes improvements to the Dyneley Arms junction with the A660 Leeds Road and A658 Pool Bank New Road in Bramhope. All arms are signal controlled except for the north-to-east movement from the A658 Pool to the A660 towards Leeds, which is priority controlled.
- 2.60 Leeds City Council (LCC) has undertaken considerable work to identify an improvement scheme for Dyneley Arms junction. However, the junction presents several engineering challenges due to local topography, land ownership and property constraints. Traffic approaching the junction from Pool and the north does so on a very uphill steep gradient, and traffic from the south approaches on a (less steep) downhill gradient to the junction. The gradients complicate improvement options at the junction and significant engineering works are therefore required to achieve a scheme with appropriate capacity. A report to Leeds City Council, the Executive Board in September 2017 recognised these challenges and stated that an improved junction will require purchase of third party agricultural land.
- 2.61 This scheme details an interim, ‘quick win’ scheme that will provide the additional capacity required in the short and medium term to mitigate existing congestion, accommodate continued traffic growth and enable development, whilst recognising that a larger scheme is needed in the medium-to-long term.
- 2.62 Therefore, the ‘quick win’ could have a longer lifespan than currently indicated by the forecast growth. Further, the proposed improvement will provide an almost immediate short-term capacity gain, provide congestion relief and is

deliverable early within the Corridor Improvement Package (CIP) phase 1 funding window. The likely delivery cost is also more in line with the levels of funding currently available.

Outputs, benefits and inclusive growth implications

2.63 The forecast outputs, benefits and inclusive growth implications are:

- Facilitates improved access to Leeds Bradford Airport.
- Growth and productivity: facilitating more efficient and reliable operation of the highway network will allow work related journeys to be made more quickly and efficiently. The removal of a key capacity constraint will also unlock development.
- Environmental sustainability: reduced congestion and smoother vehicle flows will reduce greenhouse gas emissions.

2.64 The preferred option has a benefit cost ratio of 1.59:1 which demonstrates a medium value for money solution over a 7 year period, based on the 'quick win' solution.

Risks

2.65 The key risks to the project and the related mitigation are:

- Risk: The procurement of contracts for the delivery partner poses a delivery constraint as until a contract is in place, detailed design and subsequently on-site construction cannot commence. Mitigation: The early indication of the tender process is key to ensure timely release of tender documentation and a suitable tender period for responses. It should further be noted that the quick win nature of the scheme means that delivery risk has already been significantly reduced when compared to a larger scheme.
- Risk: The scheme does not secure third party land. Mitigation: Leeds Council is already engaging with the land owner about the parcel of land and is not expecting there to be any delay which would impact on project delivery.
- Risk: Vegetation removal will be within the breeding bird season (March to September). Mitigation: to remove vegetation outside the breeding bird season.
- Risk: Not being able to secure consent / agreement from the landowner for works on 3rd party land adjoining the highway. Mitigation: to actively engage with landowners to secure early purchase of land.

Costs

2.66 The project costs can be summarised as:

- Total project value £2.747 million

- Project development costs to outline business case - £261,000
 - Project development costs to full business case with finalised costs - £264,000
 - Land assembly - £250,000
- 2.67 The indicative budget allocation for Leeds Council CIP schemes at expression of interest stage was £23.950 million. The current cost of the three Leeds City Council CIP schemes is £21.897 million and therefore the scheme is affordable within the Corridor Improvement Programme.
- 2.68 Phase 1 of the Corridor Improvement Programme received a total development cost approval of £4.483 million, of which £402,000 was allocated for the development of this scheme. The additional amount required to take the scheme to decision point 5 (full business case with finalised costs) is £373,000, including £123,000 additional development costs and £250,000 land assembly costs. This brings the total development funding to £525,000. This equates to 19% of the total scheme costs.
- 2.69 The scheme's original scheme allocation was £8 million. An indicative approval to the Combined Authority's contribution of £2.747 million is sought 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 £2.747 million.
- 2.70 The Combined Authority will be required to issue an addendum to the existing funding agreement with Leeds City Council for expenditure of up to £373,000 from the West Yorkshire plus Transport Fund taking the total approval to £775,000 (£525,000 development funding and £250,000 land assembly costs). This development funding is required for full business case development, design development, invitation to tender and evaluation of tenders for construction and land assembly.

Timescales

- Consultation – October 2018
- Outline business case approval – December 2018
- Full business case submission activity 4 – May 2019
- Full business case activity 5 – July 2019
- Start of implementation – August 2019
- Scheme completion – October 2019

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3 (outline business case)	Recommendation: Combined Authority's Investment Committee

	Decision: Combined Authority
Decision point 4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team 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

Assurance Tolerances

Assurance tolerances
That Combined Authority 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	Melanie Corcoran, Combined Authority
Project Manager	Mark Philpott, Leeds City Council
Combined Authority case officer	Mott McDonald (consultants) with Paul Coy

Appraisal summary

- 2.71 The promoters Leeds City Council have demonstrated a need for the project by setting out the current situation of a heavily congested junction at a key part of the West Yorkshire Key Route Network.
- 2.72 Dyneley Arms acts as a crucial intersection connecting Wharfedale, North Yorkshire, A1 Corridor, Leeds Bradford International Airport and Leeds. While there are no immediately adjacent development sites, improvement to Dyneley Arms will facilitate access and increased demand to and from the surrounding urban areas including access to employment and housing.
- 2.73 The existing traffic signal-controlled junction is heavily trafficked during weekday peak periods. The resultant queues and delays impact on journey time reliability and creates adverse localised environmental issues such as increased noise and particulate matter emissions, also contributing to issues with the Pool AQMA (Air Quality Management Area) designated north of the junction.

Recommendations

- 2.74 That the Combined Authority approves that:

- (i) The Dyneley Arms junction project proceeds through decision point 3 and work commences on activity 4 (full business case) and 5.
- (ii) An indicative approval to the total project value of £2.747 million is given 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) Additional development costs of £373,000 (which include £250,000 for land assembly) are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) taking the total approval to £775,000.
- (iv) The Combined Authority issues an addendum to the existing funding agreement with Leeds Council for additional expenditure of up to £373,000 from the West Yorkshire plus Transport Fund (giving a total funding agreement value of £775,000).
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report 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	Corridor Improvement Programme Phase 1 – Fink Hill scheme
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

- 2.75 The Fink Hill project is part of Phase 1 of the CIP. At decision point 2 this scheme had an indicative allocation of £950,000 from the Corridor Improvement Programme.
- 2.76 There has been a change of scope since the approval of the Programme case paper (decision point 2) in June 2017. The original scope of the scheme was focused around providing pedestrian crossing improvements and accessibility benefits, whilst still looking to reduce journey times. This scheme was proposed to address existing severance and safety issues associated with crossing the outer ring road.
- 2.77 During development of the outline business case it was found that the provision of formal pedestrian crossing facilities would introduce additional congestion and delay to traffic on the A6120, therefore to provide these facilities additional highway capacity and widened approaches are required to ensure general traffic is not dis-benefited. These have now been included within the enhanced scope of the scheme which includes, in addition to signal controlled pedestrian crossings, widening of the A6120 between Horsforth Roundabout and Fink Hill to provide two lanes in each direction, an additional lane in both directions of the A6120 at Fink Hill to provide two ahead lanes and a turning lane into Fink Hill.
- 2.78 The increased scope of the proposed scheme improvements at Fink Hill will contribute to the wider benefits to be secured through other planned schemes to improve junctions and in particular the outer ring road. These include those associated with East Leeds Orbital Road (ELOR); and associated outer ring road (ORR) junction improvements at King Lane and Harrogate Road (A61) roundabouts and Shadwell Lane and Roundhay Park crossroads and the Leeds Public Transport Investment Programme (LPTIP).

- 2.79 The proposed scheme is located at the junction of the A6120 outer ring road, Fink Hill and Parkside and forms a four arm signal controlled junction. Parkside and Fink Hill are offset by approximately 45 metres.
- 2.80 The scheme will introduce signal controlled pedestrian crossings across Fink Hill and both arms of the ORR, simplified movements at the A6120 Ring Road / Parkside junction which becomes left in / left out only and widening of the A6120 between Horsforth roundabout and Fink Hill to provide two lanes in each direction. The scheme also includes an additional lane in both directions of the A6120 at Fink Hill to provide two ahead lanes and a turning lane into Fink Hill.
- 2.81 The junction improvements will assist with accessibility to key growth sites in north Leeds by enhancing outer ring road capacity whilst providing safer infrastructure for both pedestrians and cyclists. This is a key junction because it is close to the A65 / A6120 Horsforth roundabout and provision of sufficient capacity is important for the functioning of both the A65 radial route and the A6120 orbital route.

Outputs, benefits and inclusive growth implications

- 2.82 The key benefits associated with this scheme are:
- Growth and productivity: facilitating more efficient and reliable operation of the highway network will allow work-related journeys to be made quickly and efficiently. The removal of a key capacity constraint on the network will ensure adequate capacity for future housing growth and developments and for people to be able to access jobs more easily with consistent travel times.
 - Safer infrastructure for both pedestrians and cyclists, reduced severance between communities and jobs, increased journey time reliability, and reduced traffic congestion and delay.
 - This is a key junction because it is close to the A65 / A6120 Horsforth roundabout and provision of sufficient capacity is important for the functioning of both the A65 radial route and the A6120 orbital route
- 2.83 The preferred option has a benefit cost ratio of 1.05:1, which demonstrates a low value for money. This is because the operations of the crossing has a detrimental impact on the left and right turning movements into Fink Hill (in terms of queue and delay). It should be noted that this BCR is based purely on the economic modelling for the scheme and does not consider the wider strategic benefits which are not captured. The scheme will deliver wider benefits including safety benefits from formalising two lane operation reducing the scope for collisions, improvements to pedestrian safety when crossing the outer ring road and reducing severance for pedestrians and cyclists.
- 2.84 Although the benefit cost ratio for the preferred option is low value for money at this stage, the scheme needs to be regarded as the 'sum of all the parts' with other developments including, for example, the housing development and

other planned transport schemes in the local area as a whole will benefit from these improvements.

- 2.85 These wider benefits of the scheme will be explored further at full business case stage.

Risks

- 2.86 A risk register has been completed for the scheme and a Quantified Risk Allowance (QRA) has been calculated.
- 2.87 The key risks to the project and the related mitigation are:
- Risk: Widening of the carriageway may lead to increased costs through noise compensation claims. Mitigation – Air and noise assessment may be required at additional cost to demonstrate noise impact. Scheme design will be reviewed in the context of air and noise impact. This risk has been included within the QRA.
 - Risk: Cost estimates for equipment diversions may be insufficient. Mitigation – Cross check risk allocation with cost estimates and consider re-engineering options to minimise statutory diversion requirements.
 - Risk: There may be traffic disruption during the construction period. Mitigation – development of appropriate traffic management plan to phase the works to minimise impact on general traffic.
 - Risk: Solution to surface water run off maybe too expensive. Mitigation – Gather and review all available drainage records and ensure missing information is provided. Upstream capacity options to be considered.

Costs

- 2.88 Total scheme costs are £4.150 million, an increase of £3.2 million over the indicative value outlined at decision point 2 (£950,000). The reasons for this variation, as mentioned above, is due to the increase in scope of the project, which includes, in addition to signal controlled pedestrian crossings, widening of the A6120 between Horsforth Roundabout and Fink Hill to provide two lanes in each direction, an additional lane in both directions of the A6120 at Fink Hill to provide two ahead lanes and a turning lane into Fink Hill. The project will be funded entirely from the West Yorkshire plus Transport Fund.
- 2.89 The indicative budget allocation for Leeds City Council CIP schemes at expression of interest stage was £23.950 million. The current cost of the three Leeds Council CIP schemes is £21.897 million and therefore the scheme is affordable within the Corridor Improvement Programme.
- 2.90 Phase 1 of the Corridor Improvement Programme received a total development cost approval of £4.483 million, of which £115,000 was allocated for the development of this scheme. The additional amount required to take the scheme to decision point 5 (full business case with finalised costs) is £404,000. This brings the total development funding to £519,000. This equates to 12% of the total scheme costs. This development funding is required for full

business case development, design development, invitation to tender and evaluation of tenders for construction.

- 2.91 The approval of the increase in the indicative allocation for the full scheme costs by an additional £3.2 million (from £950,000 to £4.150 million) is required to deliver the preferred option put forward by Leeds Council. It is considered that this increase in scheme costs is affordable within the indicative budget allocation for Leeds Council CIP schemes of £23.950 million. The current forecast cost of the three Leeds Council CIP schemes is £21.897 million.
- 2.92 The Combined Authority will be required to issue an addendum to the existing funding agreement with Leeds Council for expenditure of up to £404,000 from West Yorkshire plus Transport Fund taking the total approval to £519,000. This development funding is required for full business case development, design development, invitation to tender and evaluation of tenders for construction and land assembly.

Timescales

- Planning permission: December 2018
- Detailed design full business case: April 2019
- Full business case submission activity 4: May 2019
- Activity 4 approval: July 2019
- Full business case costs approval activity 5: August 2019
- Start of implementation: September 2019
- Scheme completion: July 2020

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3 (outline business case)	Recommendation: Combined Authority's Investment Committee Decision: Combined Authority
Decision point 4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team 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

Assurance Tolerances

Assurance tolerances
That Combined Authority costs should remain within 0% 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	Melanie Corcoran, Combined Authority
Project Manager	Gwyn Owen, Leeds City Council
Combined Authority case officer	Paul Coy, Combined Authority

Appraisal summary

- 2.93 The junction currently experiences congestion, delaying traffic movements on A6120 outer ring road which is a key strategic route for the city. The provision of formal pedestrian crossing facilities would introduce additional congestion and delay to traffic on the A6120, therefore to provide these facilities additional highway capacity and widened approaches are required to ensure general traffic is not dis-benefited
- 2.94 This scheme is focused around the widening of the highway and upgrading the junction at Fink Hill, as well as improved pedestrian and cycle infrastructure. The finalised scheme may require tree removal and the requirement of landscaping to ensure that the green space is still adequately maintained.
- 2.95 Although the benefit cost ratio (1.05:1) for the preferred option is considered to be lower value for money at this stage, the scheme needs to be regarded as the 'sum of all the parts' included the wider benefits afforded by this scheme. These include safety benefits from formalising two lane operation reducing the scope for collisions, improvements to pedestrian safety when crossing the outer ring road and reducing severance for pedestrians and cyclists, as well the fit with other planned transport schemes in the local area.

Recommendations

- 2.96 That the Combined Authority approves that:
- (i) The Corridor Improvement Programme Phase 1 Fink Hill project proceeds through decision point 3 (outline business case) and work commences on activity 4 (full business case).
 - (ii) An indicative approval to the total project value of £4.150 million is given 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) Additional development costs of £404,000 are approved in order to progress the scheme to decision point 4 (full business case) taking the total project approval to £519,000.
- (iv) The Combined Authority enter into an addendum to the existing funding agreement with Leeds City Council for additional expenditure of up to £404,000 from the West Yorkshire plus Transport Fund taking the total value to £519,000.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject remaining within the tolerances outlined in this report.

Project Title	Corridor Improvement Programme Phase 1 – A650 Newton Bar scheme
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

- 2.97 The scheme comprises a major junction improvement of an existing roundabout and approach roads around the A650 at Newton Bar, Wakefield. It involves the construction of a new signalised ‘hamburger’ roundabout (where the main road goes through the centre of the roundabout), upgrade of adjacent signal controlled junction, additional traffic lanes, the provision of shared cycle/pedestrian footways, signalised pedestrian/cycle crossings, and the extension of a bus lane along the A650/A61 corridor.
- 2.98 Through the above, the scheme will improve journey time reliability by reducing journey times by 8% (by 2025), and will enhance connectivity for all modes of transport.
- 2.99 The scheme supports delivery of priority 4 ‘Infrastructure for Growth’ of the Leeds City Region Strategic Economic Plan.
- 2.100 The scheme cost has increased by £2.252 million to £6.752 million following further detailed costs investigation, including those for statutory undertakers design costs, and diversion estimates, leading to an increase in the construction costs of the scheme. The scope of the scheme has not changed and the cost can be met within the corridor improvement programme.

Outputs, benefits and inclusive growth implications

- 2.101 The forecast outputs, benefits and inclusive growth implications are:
- To improve journey time reliability by reducing journey times by 8% by 2025.
 - Improve connectivity for all modes.

- Enhance provision for active modes by providing 1.32 km of footpath/cycle way and pedestrian/cycle crossing facilities by opening year.
- Not to worsen air quality by ensuring that annual mean nitrogen dioxide levels observed in the Wakefield air quality management area are no worse than existing levels by the opening year.
- Improve road safety by reducing the number of collisions by 10% by 2025.
- Facilitate future housing growth and development by reducing transport constraints to development.
- Provide an attractive gateway to Wakefield city centre by replacing trees and implementing the landscape scheme in the first planting season after the opening year.
- The benefit cost ratio (BCR) is 25.6:1 driven by forecasting of significant reduction in journey times. This is noted to be higher than industry benchmarks. Further modelling work during activity 4 will refine the scheme, which should see a reduction in the BCR at full business case (decision point 4) and more in line with industry benchmarks.
- Improved public health through promoting active travel with provision for walking and cycling facilities, and improving air quality through reducing congestion.

Risks

2.102 The key risk to the project and the related mitigation is:

- The scope and cost of service diversions are not fully known. Wakefield council have made allowance in the budget for surveys and reducing risk by ensuring adequately detailed costs at full business case. A significant cost increase for service diversions could impact on the affordability of the scheme and the business case viability.

Costs

2.103 The project costs can be summarised as:

- The current total cost forecast for the scheme at decision point 3 is £6.752 million, of which the Combined Authority through the West Yorkshire plus Transport Fund will fund £6.708 million. This is a cost increase of £2.208 million from the allocation made from the West Yorkshire plus Transport Fund programme fund at decision point 2.
- The promoters have secured £44,000 through private sector Section 106 contribution, with possibility of securing a further £222,000 Section 106 contribution. If successful, this sum would be offset against the funding sought from the Combined Authority's West Yorkshire plus Transport Fund.

- 2.104 The indicative budget allocation for Wakefield Council Phase 1 Corridor Improvement Programme schemes at expression of interest stage was £6.797 million. The current cost to the West Yorkshire plus Transport Fund of the single Wakefield Council Corridor Improvement Programme scheme to be progressed is £6.708 million (excluding any third party contributions) and is therefore within the phase 1 allocation.
- 2.105 Phase 1 of the Corridor Improvement Programme received a total development cost approval of £4.483 million, of which £75,000 was allocated for the development of this scheme to outline business case. The additional amount required to take the scheme to decision point 5 (full business case with finalised costs) is £129,800. This brings the total development funding to £204,000. This equates to 3% of the total scheme costs.
- 2.106 An increase in the indicative allocation for the full scheme costs by an additional £2.208 million (from £4.236 to £6.708 million) is required to deliver this scheme. It is considered that this increase in scheme costs is affordable within the indicative budget allocation for Wakefield Council Corridor Improvement Programme schemes of £6.797 million.

Timescales

- Submit planning application - December 2018
- Outline business case (decision point 3) - December 2018
- Appoint lead designer - January 2019
- Secure planning permission - March 2019
- Full business case (decision point 4) - June 2019
- Full business case with finalised costs (decision point 5) - September 2019
- Appoint principal contractor - October 2019
- Construction commences - January 2020
- Construction completes (decision point 6) - December 2020

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 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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Assurance Tolerances

Assurance tolerances
That total Combined Authority costs remain within 0% of the costs identified in this report. That project delivery programme timescales remain within 3 months of the timescales set out in this report.

Project responsibilities

Senior Responsible Officer	Graham West, Wakefield Council
Project Manager	Paul Stevenson, Wakefield Council
Combined Authority case officer	Asif Abed

Appraisal summary

- 2.107 The A650 Newton Bar scheme is to be delivered as part of Phase 1 of the CIP Programme. The strategic case for the A650 Newton Bar scheme has a clear fit with the Leeds City Region Strategic Economic Plan, specifically in delivery against priority 4 infrastructure for growth - by enhancing connectivity and access for all modes, providing cycling and walking provision to promote active travel, improve journey times, and facilitate future housing growth and development.
- 2.108 The scheme has minimal risk in securing planning and land transfer with the majority of the land to be developed in Wakefield Council's ownership. Early positive engagement has already been had regarding purchase of a small parcel of 3rd party land. Multiple sources of evidence have been provided to demonstrate the commercial case for delivery of the scheme such as population growth statistics from the ONS and evidence of housing growth through the City Fields housing development.
- 2.109 Public consultation and briefing of key stakeholders has been undertaken, with positive feedback received on the proposal, specifically in the ability of the proposal to address the concerns and constraints of the existing conditions
- 2.110 Wakefield Council will be the delivery lead and to manage all aspects of contract and project management. The scheme will continue reporting to the monthly Corridor Improvement Programme Board, chaired by the Combined Authority.
- 2.111 Wakefield Council have demonstrated experience of delivering similar schemes such as the Kirkgate Highway Improvement scheme, as well as major construction projects such as Pontefract Northern Relief Road, Bretton Reservoir, and the Wakefield Eastern Relief Road. Planning permission and

land transfer risks are minimal, with the council's in house Transportation and Highways team able to oversee this.

2.112 The scheme has a very high benefit cost ratio (BCR) of 25.6:1. The Economic Case is satisfactory, but further development works will be required at during activity 4 to refine the scheme. This should see a reduction in the BCR at full business case (decision point 4) to a level more in line with industry benchmarks.

Recommendations

2.113 That the Combined Authority approves that:

- (i) The Corridor Improvement Programme Phase 1 A650 Newton Bar project proceeds through decision point 3 and work commences on activity 4 (full business case).
- (ii) An indicative approval to the total project value of £6.752 million is given 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) Development costs of £129,800 are approved in order to progress the scheme to decision point 4 (full business case) taking the total project approval to £204,800.
- (iv) The Combined Authority enters into an addendum to the existing funding agreement with Wakefield Council for additional expenditure of up to £129,800 from the West Yorkshire plus Transport Fund taking the total value to £204,800.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report (including through delegation to the Combined Authority's Managing Director at decision points 4 and 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	Institute of High Speed Railways and System Integration (IHSRSI)
Stage	2 (Development)
Decision Point	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

- 2.114 High Speed 2 (HS2) is Europe’s largest railway project, and a vital part of the UK Government’s strategic plan for regeneration, growth and rebalancing of the UK economy. It also represents a significant opportunity for the UK to capitalise on a rapidly growing high-speed rail global market. The lack of testing facilities in high-speed rail represents a significant barrier to the future development of high-speed rail research and innovation, but presents a significant opportunity for the Leeds City Region (LCR) to be a global lead.
- 2.115 The University of Leeds, working closely with partners from industry, government and the University sectors, is seeking to establish the Institute for High Speed Railways and System Integration (IHSRSI) in the LCR with the ambition of helping to unlock the full economic potential of high speed rail, nationally and globally to the benefit of job and wealth creation in the LCR.
- 2.116 This will provide the City region with a major new hub for high-speed rail innovation in track infrastructure and dynamics, rolling stock technology and system integration.
- 2.117 A number of options have been considered and fully researched to locate the facilities on a new campus called the Leeds Engineering and Technology Campus (LETeC). The current preferred option is for the LETeC to sit alongside the HS2 depot and within the Leeds Enterprise Zone (Aire Valley). Land purchase is at an advanced stage and it is expected to complete December 2018 / January 2019 with outline planning permission submission in December 2018.
- 2.118 The development and success of the IHSRSI is not dependent on HS2 or the HS2 depot, but its co-location with HS2 represents a strategic opportunity to have an even greater economic impact within the LCR.

- 2.119 The scheme will be delivered in two concurrent phases. The funding requested from the Combined Authority will part fund the delivery of Phase 1 only:
- 2.120 Phase 1 - creation of two world-leading test facilities for the new institute, these being a high-speed railways infrastructure test facility (ITF) and a high speed vehicle test facility (VTF). Specifically, world class high speed rail infrastructure test & Research & Development facilities to include:
- A full-scale 400 kilometre per hour capable world-leading fully dynamic high-speed rail Infrastructure Test Facility which will be able to test full-scale railway track structures, including embankments, preformed systems and ground stabilization technologies. By researching and developing new track support structures the facility will revolutionize the way conventional and high-speed tracks will be designed and built in the future and allow full cost reduction technologies and strategies to be fully validated.
 - A full-scale high-speed 400 kilometre per hour capable Vehicle Test Facility capable of testing full-scale rolling stock and their interaction (behaviour) with different track systems. This world-leading facility will incorporate advanced technologies that allow the full duty cycle of the vehicle to be tested including all electrical and mechanical systems. This will allow advanced technologies to be developed and tested, and therefore help to de-risk the introduction of new rolling stock onto the rail network. The VTF will also have a full scale power test facility that will allow rolling stock to be powered directly through the pantograph and catenary test equipment. The construction of sidings will allow future connection to the HS2 depot and hence rail network placing the IHSRSI at the very heart of the rail industry and projecting the LCR as a global centre for railways.
- 2.121 Phase 2 - By linking the above two test facilities to a new System Integration and Innovation Centre (subject to additional funding applications) a whole system integration approach can be developed. By connecting the conventional and digital train control systems, a complete test-bed platform can be developed within an integrated research environment. This will create a unique research and development facility allowing transformational change in railway research and development. This is in direct response to calls from the national and international rail industry for the IHSRSI to have significant system integration capability to support the conventional and high-speed rail sectors. The system integration capabilities will allow de-risking in relation to the command and control systems including signalling.
- 2.122 In addition the facilities will be linked to the existing University of Leeds Passenger Motion Simulator to allow the passenger experience to be researched. This motion simulator allows full accelerations to be felt in the vertical, lateral and horizontal directions within a virtual reality simulation. The technology includes eye tracking, psychophysiological metrics and other systems to assess the passenger experience. This simulator is supported by

the recent construction of an immersive virtual reality cave to research the passenger experience in new stations and railway environments.

- 2.123 HS2 will be of major economic benefit to the city region and the IHSRSI will help to maximise these benefits, by establishing the University and the LCR as a global lead in high speed rail engineering and research. The IHSRSI will complement and build upon the existing regional academic and industry expertise in rail research and education (e.g. University of Huddersfield) and will help cement the LCR as a world-leading centre of excellence.
- 2.124 The IHSRSI will also act as a catalyst for an Advanced Manufacturing Park which will be based on further investment from engineering and manufacturing companies within the East Leeds Enterprise Zone.
- 2.125 The scheme received decision point 2 (case paper) approval from the Combined Authority on 28 June 2018 as part of the “Call for Projects”. These schemes will be funded through over-programming against the local growth fund and were prioritised on the basis of the benefits derived and their ability to be delivered by March 2021. The Combined Authority have stated to the promoter that funding of this project is dependent on approval of Full Business Case with Finalised costs (decision point 5) by 30th June 2020 and all Combined Authority funding being committed by March 2021.
- 2.126 Since its decision point 2 approval the total project value has increased and as a result the request for Combined Authority funding has now increased from £11.44 million to £13.047 million.
- 2.127 The increase is due to the fact that at Expression of Interest (EoI) stage the brief was at an embryonic stage and costs for the two world leading test facilities were based on an outline budget for the specialised equipment for the two facilities described above and industry norms in terms of gross internal floor area for the VTF building. During RIBA Stage 1 the Design Team was able to define the brief more clearly, and design and size the building accordingly. The Design Team also worked alongside an equipment manufacturer and supplier to develop the equipment feasibility design and its interconnections with the civils build. This includes new capabilities in terms of system integrating the ITF and VTF facilities with command and control systems. This specialist has supplied budget costings for the equipment to which the University have added a contingency sum of 10%.
- 2.128 The University commits in full to underwriting any overspend on the IHSRSI project cost of £26.093m.

Outputs, benefits and inclusive growth implications

- 2.129 Outputs, benefits and inclusive growth implications can be summarised as:
- Phase 1: Infrastructure Test Facility (ITF) – a full-scale 400km/h capable high-speed rail infrastructure systems test facility that will be able to test full-scale railway track structures, including embankments, preformed

systems and ground stabilisation technologies. This outdoor facility is adjacent to the Vehicle Test Facility;

- Phase 1: Vehicle Test Facility (VTF) - a full-scale high-speed 400 km/h capable vehicle systems test facility capable of testing full-scale rolling stock and their interaction (behaviour) with different track systems. Housed in a building, this facility will potentially in the future accept rolling stock driven directly from the rail network via the HS2 depot.
- Phase 2: System Integration and innovation Centre (SIIC) capable of replicating the system interaction of the civil, mechanical, electrical and digital systems across the railway operational environment. This phase is subject to additional funding applications and is dependent on Phase 1 being fully funded.

2.130 All phases:

- Establishing an international reputation that will attract key industry investment, spur new enterprise, Small to Medium Enterprises and supply chains, to the Leeds City Region;
- Creation of high value employment and uplifting skills of local workforce (apprentices, technicians, undergraduates and postgraduates in the skills industry needs) and attracting new international students to Leeds;
- Increased retention of graduates in the Leeds City Region;
- Growing research and innovation expertise and manufacturing skills across the North;
- Leverage significant 'international' private sector and public research investment in Research & Development;
- De-risking UK and global high speed rail projects by providing facilities and expertise to assess track and vehicle designs and prototypes prior to deployment;
- Co-location of the HS2 depot, HS2 Yorkshire Hub Station and the IHSRSI provides the catalyst for significant future inward investment and export potential including the development of an Advanced Manufacturing Park – Leeds Council estimate that the AMP will generate 3,000 new jobs; and
- Helping to increase the GVA of the region;
- Business rate income to the Combined Authority as a result of its location in an Enterprise Zone.

Risks

2.131 The key risks to the project and the related mitigation are

- Securing all the required match funding and follow-on investment to realise the full vision for the IHSRSI. The University has secured private sector investment to support Phase 2 development. This funding is dependent on Phase 1 being fully supported. The University is in the

process of formally approving the final portion of the £13.047 million matched funding for Phase 1.

- Deliverability within timescales and budgets for Phase 1. The university will under-write any potential scheme overspend in order to reduce this risk.

Costs

2.132 The project costs can be summarised as:

- The total cost of Phase 1 is forecast at £26.093 million, of which £13.047 million will be funded by the Combined Authority. This is a £1.607 million increase from the Combined Authority contribution which received indicative approval at decision point 2 (case paper) and is the maximum available from the Combined Authority.
- Funds from the university will be used as match funding (£13.047 million). The Combined Authority funding will only receive full approval once the promoter has demonstrated that the University of Leeds funding has received formal approval.
- Further funding for Phase 2 is currently being sought from other funding sources and private sector investors. This will be substantiated with the scheme's forthcoming full business case.

Timescales

- Decision point 5 (full business case with finalised costs) approval for Phase 1 is forecast for January 2020.
- Phase 1 of the scheme is due to be delivered by December 2020.
- Phase 2 of the scheme is due to be delivered by February 2021

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3	Recommendation: Investment Committee Decision: Combined Authority
Decision point 5	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director

Assurance Tolerances

Assurance tolerances
The Combined Authority's contribution remains at the figure outlined in this report. Programme timescales remain within 3 months of the timescales outlined within this report.

Project responsibilities

Senior Responsible Officer	Professor Lisa Roberts, University of Leeds
Project Manager	Professor Peter Woodward, University of Leeds
Combined Authority case officer	Lisa Childs

Appraisal summary

2.133 The scheme has a strong strategic, commercial and economic case at this stage, although the financial and management cases require more detail. As the full business case is developed, delivery costs and programmes will require additional clarity, to ensure the scheme is deliverable. The Combined Authority will appoint a Project Manager who will work with the University to ensure compliance with the Combined Authority assurance processes and to reduce perceived risk through close working relationships.

Recommendations

2.134 That the Combined Authority approves that:

- (i) The Institute for High Speed Rail and System Integration scheme Phase 1 proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the Combined Authority's contribution of £13.047 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 £26.093 million (The University of Leeds will contribute match funding of £13.047 million).
- (iii) Future approvals are made in accordance with the approval pathway and approval route outlined in this report including at decision point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report

Projects in Stage 3: Delivery and Evaluation



Project Title	Business Growth Programme
Stage	Stage 3 (Delivery)
Decision Point	Change Request at Activity 6

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

- 2.135 The Business Growth Programme (BGP) was launched in February 2013, with funding previously awarded through the regional growth fund (for the original programme which ran from February 2013 to March 2015). Once the Growth Deal was agreed a further £18 million was awarded through the local growth fund round 1 April 2015 to March 2018 following by £9 million through round 3 to extend the programme to March 2021.
- 2.136 The Business Growth Programme continues to be an extremely popular programme with businesses and has contributed to the creation of 2,540 jobs and the safeguarding of a further 1,682 jobs since its launch and leveraged in £183.4m of private sector funding, currently £20.8 million of the £27 million approved funding is committed. This may mean that the programme will need to close imminently to new applicants, which will be before the end of the funding cycle.
- 2.137 The programme supports businesses operating within the Local Enterprise Partnership's priority sectors (manufacturing, food and drink, low carbon & environmental, financial & business services, digital & creative and health & life sciences) by providing grants of between £10,000 and £250,000, where grant support is needed/adds value by filling a funding gap, accelerating an investment, enabling an investment to happen on a larger scale or in a

particular location. The programme primarily supports small medium enterprises (SME), though large companies are considered by exception.

- 2.138 Funding supports the expansion, modernisation and diversification of economic activities. Activities supported include the purchase of plant, machinery and equipment, fit out of new premises and alterations and extensions to existing premises. Research and development activity (excluding basic/fundamental research) can be supported where this supports employment and business growth.
- 2.139 Investments must be specifically linked to job creation, or clearly demonstrate the investment is linked to growth (e.g. in the supply chain), an increase in productivity or skills development (leading to a recognised qualification). Overall, the programme will lead to productivity improvements and a net increase in the average number of employees in recipient businesses. All employment posts will be maintained for at least 3 years in SMEs and at least 5 years in large businesses. All applicants are expected to provide match funding of at least 80%. The programme aims to provide an overall funding ratio of at least 1:4 (Public to Private).
- 2.140 Applicants are required to provide a business case and demonstrate the additionality grant support will bring to the project.
- 2.141 In most cases, funding is awarded through the General Block Exemption Regulations, which allow provision of support at a 20% intervention rate for small businesses or 10% for medium sized businesses (and 10% for large businesses in assisted areas). In some cases (where the business is a large company and the project is not located in an assisted area) funding is awarded through De Minimis provisions, which allow grant support of up to 200,000 euros in a rolling three year period.
- 2.142 The existing growth deal 3 funded scheme (£9 million) will run until March 2021 and will support the creation of over 500 net new jobs to the Leeds City Region, supporting 165 businesses in the City Region's priority sectors and leveraging in £50m of private sector investment. The scheme has exceeded its forecasts and continues to deliver strongly, to the extent that it is likely to have committed all funding and delivered all targets in advance of 2021. If additional funding was allocated to the scheme it would enable the programme to deliver until the closure date of March 2021 and support a greater number of businesses.

Description of the Change Request

- 2.143 To assign an additional £7 million of Local Growth Funding to extend the programme, thereby increasing the total funding available to £34 million.
- 2.144 Securing additional funding will enable the programme to continue to provide grant support to businesses until the end of the programme (31st March 2021)
- 2.145 The change does not require any change to the delivery model; the existing project team will deliver the additional outputs. The delivery costs are

approximately £475, 000 for the three year period 2018/2019 to 2020/2021. This represents 5% of the total project cost. As there will be no increase in the delivery costs should the change request be approved, the delivery costs will represent only 3% of the total project cost if approved.

- 2.146 Changes have already been made to the programme criteria to reduce financial constraints on the programme, such as removing the property purchase as an eligible criteria and restricting applications to a maximum of three cumulative value of £250k over a three year period.
- 2.147 The existing funding allocated (of £27 million) is not sufficient to meet the demands of businesses applying to the fund and it is expected that the fund will be fully committed by the end of quarter two 2019/2020. It has therefore been identified that allocating £7 million of additional funding to this programme will build on the existing good track record of delivery and increase the jobs created by 560. This additional allocation will be funded through overprogramming on the Local Growth Fund. If this funding is not made available to the programme there is some potential for reputational damage to the Combined Authority and the fund will be essentially closed in 2019. It is anticipated that the programme is particularly vital to supporting businesses in the forthcoming period of uncertainty surrounding Brexit.

Outputs, benefits and inclusive growth implications

- 2.148 The forecast outputs, benefits and inclusive growth implications from the funding requested as part of this change request are:
- Create / safeguard an additional 560 jobs (delivering at least 1,060 jobs overall)
 - Lever in an additional £35 million in private sector funding (delivering at least £85 million in private sector funding overall)
 - Provide grants to an additional 125 businesses (providing grants to at least 290 businesses overall)
 - Cost-effective and proven way to support businesses, whilst investing the Combined Authority's Local Growth Fund on eligible activity i.e. grants for capital investment by businesses;
 - Supporting Small to Medium sized businesses to capitalise on the opportunities that may be presented from Brexit

Risks

- 2.149 There are few risks associated with extending the funding available to the programme as it is currently in delivery and operating successfully. The key risk to the programme is:
- Brexit may result in small medium enterprises losing confidence with the market and as a result not seeking out business growth support.
Mitigation – proactive engagement with small medium enterprises to

ensure that the relevant policies can be implemented in a manner that is timely to their business planning processes.

Costs

2.150 The project costs can be summarised as:

- The preferred option is to assign an additional £7 million of Local Growth Funding to the Business Growth Programme. This will increase the total funding approved for the programme to £34 million.

Timescales

2.151 The forecast completion of the Business Growth Programme is March 2021

Assurance pathway and approval route

Assurance pathway	Approval route
Activity 6 Change Request	Recommendation: Investment Committee and Decision: Combined Authority

Assurance tolerances

Assurance tolerances
That the total Combined Authority costs for the project remain within the costs outlined within this request; That the programme delivery timescales remain within 3 months of those set out in this report Creation of jobs to be not less than 10% lower than the 560 figure in this report (and therefore should be at least 504) Applicant private sector match funding to be not less than 10% lower than the £35 million figure in this report (and therefore should be at least £31.5m)

Project responsibilities

Senior Responsible Officer	Henry Rigg – Combined Authority
Project Manager	Lorna Holroyd – Combined Authority
Combined Authority case officer	Paul Coy

Appraisal summary

2.152 The Change request is in line with the overall business for the Business Growth Programme, and the proposed change will derive further positive outcomes for the programme, for partnership-working and for the local economy.

Recommendations

2.153 That the Combined Authority approves that:

- (i) The change request to the Business Growth Programme is approved to provide additional £7 million of funding to the Business Growth Programme. This will be funded from over programming against the Local Growth Fund. This would take the expenditure approval for the total programme to £34 million.
- (ii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined within this report.

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.

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

Investment Readiness Project

8.1 That the Combined Authority approves that:

8.2 The Investment Readiness project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs).

8.3 An indicative approval to the Combined Authority's contribution of £1.429 million is given (which will be funded from £714,500 from the Leeds City Region Business Rates Pool and £714,500 from ESIF), with Full Approval to spend being granted once the scheme has progressed through the Assurance

Process to Decision Point 5. The total project value is £1.429 million with funding already secured.

- 8.4 Future approvals 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 subject to the scheme remaining within the assurance tolerances outlined within this report.

Transformational - A6120 Leeds Northern Outer Ring Road Improvements, Leeds

- 8.5 That the Combined Authority approves that:
- (i) The A6120 Leeds Northern Outer Ring Road Improvements (A647 to A65) proceeds through decision point 2 and work commences on the feasibility study.
 - (ii) An expenditure approval is given to the total value of £392,500 to Leeds City Council to fund a feasibility study.
 - (iii) That the Combined Authority enter into a funding agreement with Leeds City Council for expenditure of up to £392,500 to be funded from the West Yorkshire plus Transport Fund.
 - (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report 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.

Corridor Improvement Programme Phase 1 – A647 Dawsons Corner

- 8.6 That the Combined Authority approves that:
- (i) The Dawson's Corner project proceeds through decision point 3 and work commences on activity 4 (full business case).
 - (ii) An indicative approval is given to the total project value of £20.159 million, with the Combined Authority's contribution of £19 million (which will be funded through £15 million from the CIP Phase 1 fund and £4 million from the LPTIP 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 £20.159 million.
 - (iii) That development costs of £1.599 million, (including £499,000 additional development costs and £1.1 million land assembly costs) are approved in order to progress the scheme to decision point 5 (full business case with finalised costs), taking the approval to £2.607 million

- (iv) That the Combined Authority issue an addendum to the existing funding agreement with Leeds Council for additional expenditure of up to £1.599 million from the West Yorkshire plus Transport Fund taking the total value to £2.607 million.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report 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.

Corridor Improvement Programme Phase 1 – Dyneley Arms

8.7 That the Combined Authority approves that:

- (i) The Dyneley Arms junction project proceeds through decision point 3 and work commences on activity 4 (full business case) and 5.
- (ii) An indicative approval to the total project value of £2.747 million is given 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) Additional development costs of £373,000 (which include £250,000 for land assembly) are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) taking the total approval to £775,000.
- (iv) The Combined Authority issues an addendum to the existing funding agreement with Leeds Council for additional expenditure of up to £373,000 from the West Yorkshire plus Transport Fund (giving a total funding agreement value of £775,000).
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report 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.

Corridor Improvement Programme Phase 1 – Fink Hill scheme

8.8 That the Combined Authority approves that:

- (i) The Corridor Improvement Programme Phase 1 Fink Hill project proceeds through decision point 3 (outline business case) and work commences on activity 4 (full business case).
- (ii) An indicative approval to the total project value of £4.150 million is given 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) Additional development costs of £404,000 are approved in order to progress the scheme to decision point 4 (full business case) taking the total project approval to £519,000.
- (iv) The Combined Authority enter into an addendum to the existing funding agreement with Leeds City Council for additional expenditure of up to £404,000 from the West Yorkshire plus Transport Fund taking the total value to £519,000.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject remaining within the tolerances outlined in this report.

Corridor Improvement Programme Phase 1 – A650 Newton Bar scheme

8.9 That the Combined Authority approves that:

- (i) The Corridor Improvement Programme Phase 1 A650 Newton Bar project proceeds through decision point 3 and work commences on activity 4 (full business case).
- (ii) An indicative approval to the total project value of £6.752 million is given 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) Development costs of £129,800 are approved in order to progress the scheme to decision point 4 (full business case) taking the total project approval to £204,800.
- (iv) The Combined Authority enters into an addendum to the existing funding agreement with Wakefield Council for additional expenditure of up to £129,800 from the West Yorkshire plus Transport Fund taking the total value to £204,800.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report (including through delegation to the Combined Authority's Managing Director at decision points 4 and 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.

Institute of High Speed Railways and System Integration (IHSRSI)

8.10 That the Combined Authority approves that:

- (i) The Institute for High Speed Rail and System Integration scheme Phase 1 proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the Combined Authority's contribution of £13.047 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 £26.093 million (The University of Leeds will contribute match funding of £13.047 million).
- (iii) Future approvals are made in accordance with the approval pathway and approval route outlined in this report including at decision point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report

Business Growth Programme

8.11 That the Combined Authority approves that:

- (i) The change request to the Business Growth Programme is approved to provide additional £7 million of funding to the Business Growth Programme. This will be funded from over programming against the Local Growth Fund. This would take the expenditure approval for the total programme to £34 million.
- (ii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined within this report.

9 Background documents

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

<https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?CIId=156&MIId=783&Ver=4>

10 Appendices

Appendix 1 – Background to the report

Appendix 2 – Location maps for the schemes presented in this report

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Report to: West Yorkshire Combined Authority

Date: 13 December 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.

Assurance pathway 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.

Assurance Tolerances

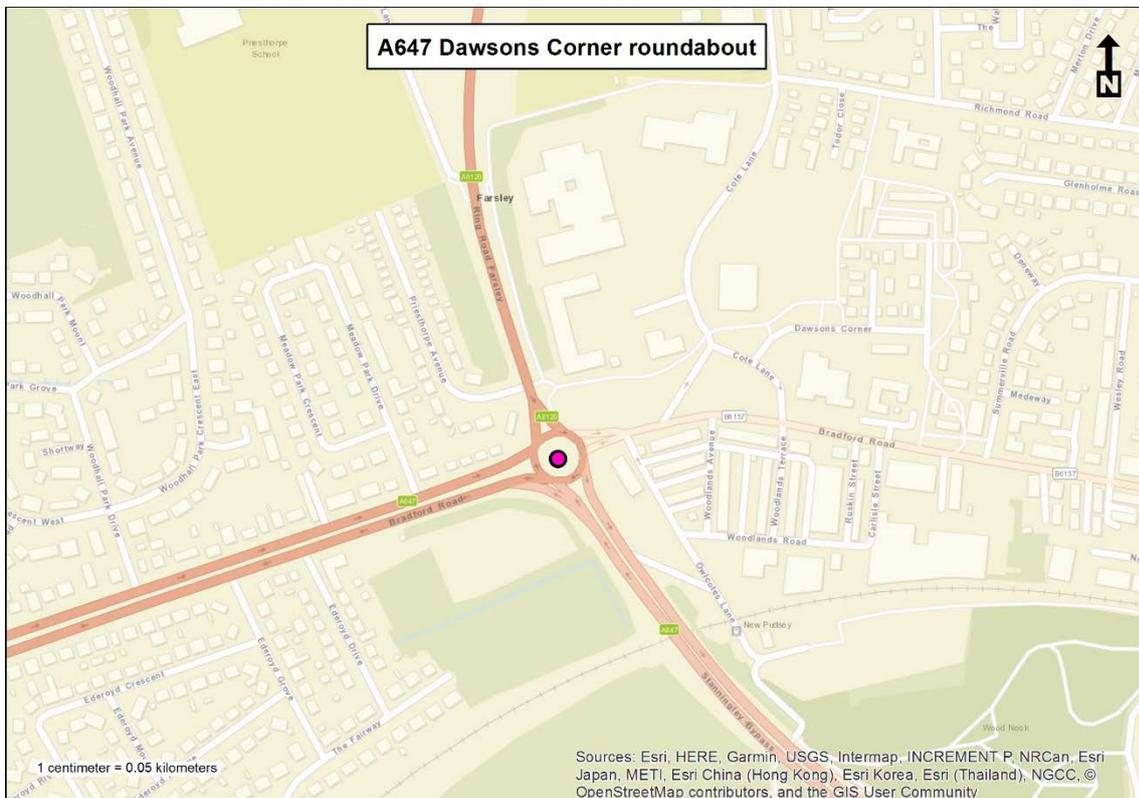
- 1.4 In order for the scheme to follow the assurance pathway and approval route that is proposed in this report, it should remain within the assurance tolerances outlined for each scheme. If these tolerances are exceeded the scheme needs to return to Investment Committee and/or the Combined Authority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

Scheme Location Maps

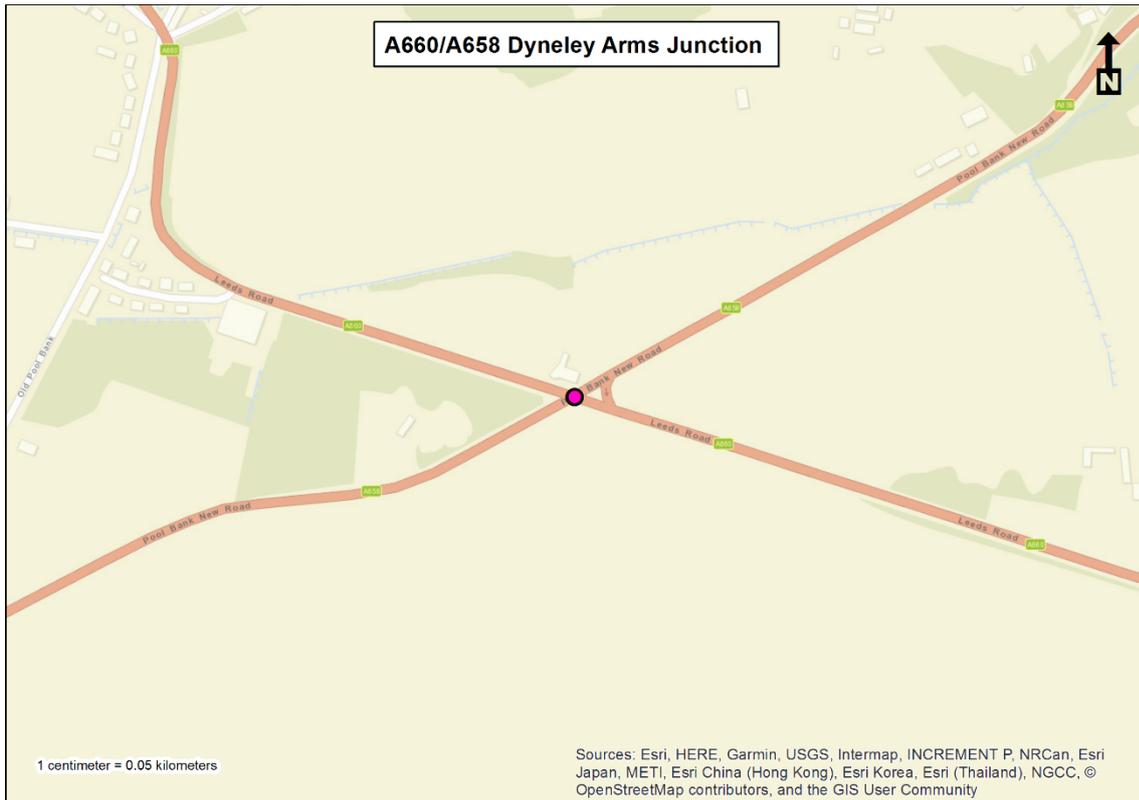
Transformational – A1620 Leeds Northern Outer Ring Road Improvements, Leeds



Corridor Improvement Programme Phase 1 – A647 Dawsons Corner



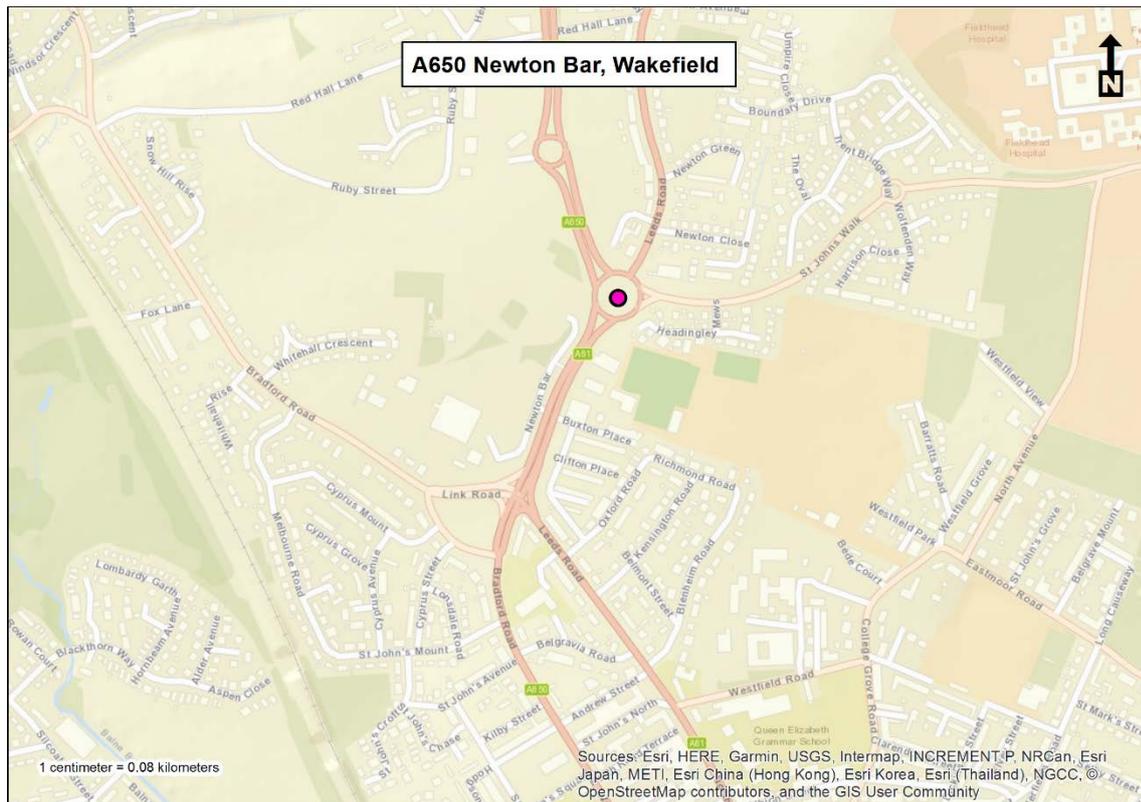
Corridor Improvement Programme Phase 1 - Dyneley Arms



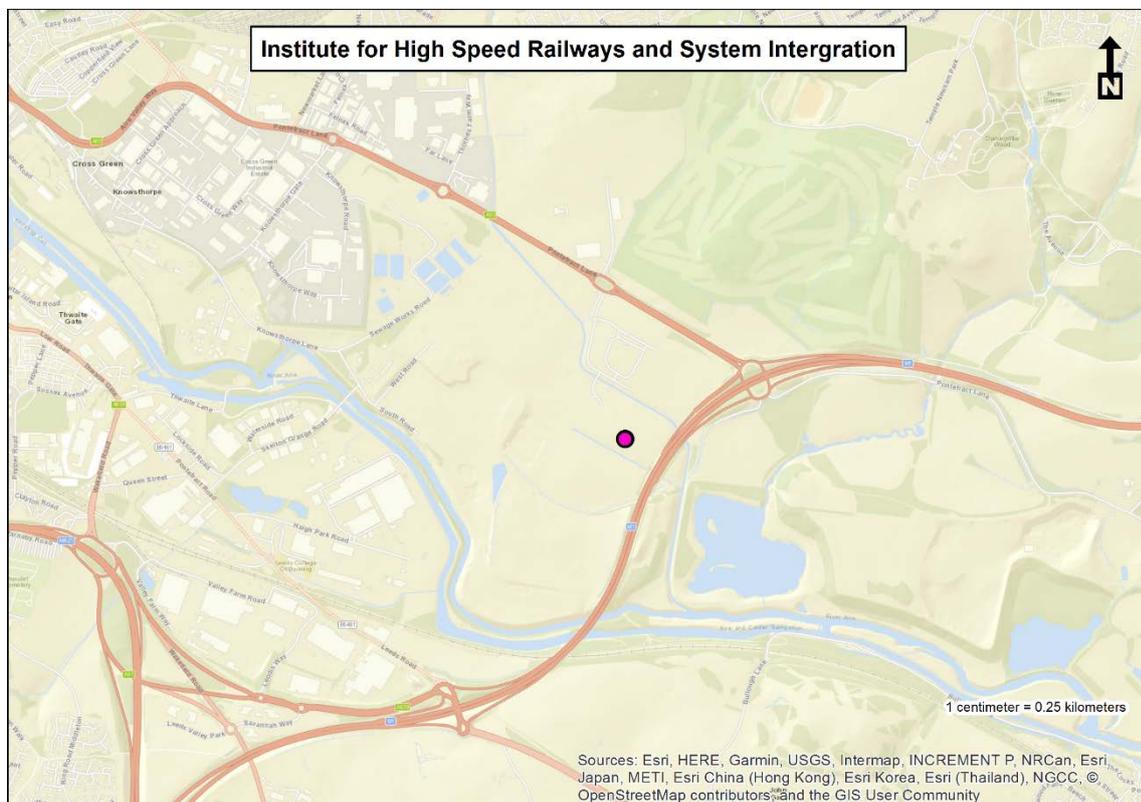
Corridor Improvement Programme Phase 1 – Fink Hill scheme



Corridor Improvement Programme Phase 1 – A650 Newton Bar scheme



Institute of High Speed Railways and System Integration – Phase 1



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Report to: West Yorkshire Combined Authority

Date: 13 December 2018

Subject: **Planning for Growth: The Leeds City Region Connectivity Strategy**

Director: Alan Reiss, Director Policy, Strategy and Communications

Author(s): Tom Gifford

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 note the ongoing development of the Inclusive Growth Corridor Programme which will help to shape the future connectivity pipeline across all modes of transport serving the Leeds City Region.
- 1.2. To commence a conversation with the public and stakeholders around the new 21st century connectivity and services technologies required to address the economic and transport challenges facing West Yorkshire, to complement future strategic infrastructure including HS2 and Northern Powerhouse Rail (NPR).
- 1.3. To recommend establishing a member working group to oversee the development of Connectivity Strategy and Mass Transit.
- 1.4. To propose that Transport Committee continue to oversee the development of the Connectivity Strategy, and that further updates be brought to the Combined Authority throughout 2019.

2. Information

- 2.1. In June 2017, the Combined Authority endorsed development of the HS2 Connectivity Strategy and delegated oversight to its development to West Yorkshire Transport Committee.
- 2.2. Since this time, West Yorkshire Transport Committee have considered and supported the development of the Leeds City Region HS2 Growth Strategy and the associated Leeds City Region HS2 Connectivity Strategy throughout 2017-2018. The most recent update was provided to the 9 November 2018 Transport Committee meeting.
- 2.3. The purpose of this report is to provide the West Yorkshire Combined Authority with the latest position, following consideration by West Yorkshire Transport Committee on 9 November 2018.
- 2.4. The West Yorkshire Transport Committee report from 9 November is included in Appendix 1. In summary, the 9 November West Yorkshire Transport Committee report:
 - Develops the first tranche of Inclusive Growth Corridors (those areas with greatest economic need/opportunity), as identified in the HS2 Connectivity Strategy – and sets out the roadmap for the development of the remaining corridors;
 - Sets out how transforming connectivity in the communities of greatest economic need will help raise productivity, living standards and improve air quality, thereby helping to deliver Inclusive Growth;
 - Builds on the current investment in transport improvements across York, Wakefield, Leeds, Bradford, Calderdale and Kirklees. Significant improvements are already being made through programmes including CityConnect, Connecting Leeds and the West Yorkshire-plus Transport Fund across Walking, Cycling, Bus and Rail;
 - Seeks to ‘open a conversation’ on future solutions to future capacity requirements and delivering inclusive growth - including maximising the positive impact of strategic transport investments (HS2/NPR);
 - Identifies that different modes of transport serve different needs and provide different levels of capacity. For example, Mass Transit technologies have moved forwards significantly in last decade through, new battery technologies, hydrogen propulsion and autonomous innovations are changing advance mass transit vehicle technologies;
 - Sets out that Mass Transit is likely to form a component of the overall Connectivity Strategy and subject to feedback received through the ‘conversation’, the proposed City Region Transit Network has the potential to form a key priority for delivery in the timeframe up to HS2 opening in 2033;
 - Illustrates that the analytical work undertaken to date has reflected the evidence base and is focused on connecting communities in greatest

economic need/opportunity. This is the logical and evidenced-based next step in the City Region's plans for transport investment.

- Proposes that significant further development work is commenced on the City Region Transit Network and informed by the conclusions of the forthcoming engagement.

3. Financial Implications

- 3.1. There are no direct financial implications from the report, however, the pipeline outlined in the West Yorkshire Transport Committee report have high value and high cost. A funding strategy for the emerging schemes identified here is essential and will be developed as part of the next stages of development.
- 3.2. Funding approvals for the Inclusive Growth Corridor Plans were granted through the Combined Authority Assurance Process, with capital approval sought at the 5 April 2018 West Yorkshire Combined Authority meeting.

4. Legal Implications

- 4.1. The West Yorkshire Combined Authority is the Local Transport Authority for West Yorkshire. Individual District Authorities are the Local Highways and Planning Authorities for their area. As such, the development of this Connectivity Strategy requires a collaborative partnership and mutual support between the Combined Authority and District Authorities.
- 4.2. In June 2017, the Combined Authority delegated oversight to the development of the Connectivity Strategy to Transport Committee, however, decisions regarding the adoption of the strategy remain with the Combined Authority.
- 4.3. In April 2017, Transport Committee noted that that land already within West Yorkshire Combined Authority ownership from development of previous mass transit schemes will be retained until the new LCR HS2 Connectivity Strategy identifies that it is no longer required for this purpose. The emerging conclusions set out in this report demonstrate that this land may be required for this purpose and as such should retained subject to the conclusions of the detailed alignments which would be considered as part of the next stages of development.
- 4.4. An Integrated Sustainability Appraisal was developed for the West Yorkshire Transport Strategy 2040. It is anticipated that this will be updated in parallel to the development of the Leeds City Region Connectivity Strategy.

5. Staffing Implications

- 5.1. Development work has been undertaken within the West Yorkshire Combined Authority Transport Policy Team in partnership with partner district authorities.

6. External Consultees

- 6.1. The development of this report has reflected feedback and input from district partners. It also follows feedback from the recent Transport Committee member workshop as well as individual West Yorkshire Leader / Portfolio Holder meetings.
- 6.2. Transport Committee endorsed the Connectivity Strategy report on 9 November, as have Leeds City Council Executive Board and Bradford Executive at their meetings on 21 November and 4 December respectively.

7. Recommendations

- 7.1. That the Combined Authority note the ongoing development of the Inclusive Growth Corridor Programme which will help to shape the future connectivity pipeline across all modes of transport serving the Leeds City Region as set out in Item 7 report to the 9 November West Yorkshire Transport Committee meeting.
- 7.2. That the Combined Authority endorse commencement of a conversation with the public and stakeholders around the new 21st century connectivity and services technologies required to address the economic and transport challenges facing West Yorkshire, to complement future strategic infrastructure including HS2 and Northern Powerhouse Rail (NPR).
- 7.3. That the Combined Authority endorse establishing a member working group to oversee the development of Connectivity Strategy and Mass Transit.
- 7.4. That the Combined Authority continue to endorse the delegation of oversight of the Connectivity Strategy, including the role of Mass Transit, to Transport Committee, with further updates brought to the Combined Authority throughout 2019.

8. Background Documents

9 November 2018: West Yorkshire Transport Committee – “Planning For Growth: The Leeds City Region Connectivity Strategy”: Agenda Item 7 (plus appendices): <https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?CId=138&MId=730&Ver=4>

21 November 2018: Leeds City Council Executive Board: Leeds City Region Connectivity Strategy and Connecting Leeds Update”: <https://democracy.leeds.gov.uk/documents/s182294/Connectivity%20Strategy%20Cover%20Report%20121118.pdf>

4 December 2018: Bradford Executive: Planning for Growth: The Leeds City Region Connectivity Strategy: <https://bradford.moderngov.co.uk/documents/s23978/Document%20AD.pdf>

9. Appendices

Appendix 1: Item 7 from the 9 November 2018 West Yorkshire Transport Committee – “Planning For Growth: The Leeds City Region Connectivity Strategy”

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Report to: Transport Committee

Date: 9 November 2018

Subject: **Planning for Growth: The Leeds City Region Connectivity Strategy**

Director: Alan Reiss, Director Policy, Strategy and Communications

Author(s): Tom Gifford

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 note the ongoing development of the Inclusive Growth Corridor Programme which will help to shape the future connectivity pipeline across all modes of transport serving the Leeds City Region.
- 1.2. To commence a conversation with the public and stakeholders around the new 21st century connectivity and services technologies required to address the economic and transport challenges facing West Yorkshire, to complement future strategic infrastructure including HS2 and Northern Powerhouse Rail (NPR).
- 1.3. To recommend establishing a member working group to oversee the development of the emerging City Region Transit Network.

2. Information

Introduction

- 2.1. This report develops the first tranche of Inclusive Growth Corridors (those areas with greatest economic need/opportunity), as identified in the HS2 Connectivity Strategy. The report sets out how transforming connectivity in the communities of greatest economic need will help raise productivity, living

standards and improve air quality, thereby helping to deliver Inclusive Growth.

2.2. Transport Committee have considered and supported the development of the HS2 Growth Strategy and the associated HS2 Connectivity Strategy throughout 2017-2018. The most recent update was provided to the May 2018 Transport Committee meeting. This report also reflects feedback received from a workshop on 28 September 2018 with Transport Committee Members / Portfolio Holders.

2.3. Alongside local priorities, the narrative and approach set out here in the City Region Transit Network have the potential to shape future connectivity priorities at a City Region level in the period up to HS2 opening in 2033 and beyond. The proposals are designed to complement, maximise and accelerate growth associated with HS2 coming to the Leeds City Region.

The Leeds City Region economy: At the heart of the North

2.4. Cities can be great places to live, with excellent public transport systems, well-designed public spaces for leisure and social activities, and flourishing, well-connected and productive businesses. Cities are also the engines of inclusive, economic growth. Strong, prosperous northern cities will help rebalance the national economy.

2.5. Leeds City Region is growing. At the heart of the North of England, it is an attractive place to live, increasingly attracting highly skilled, knowledge intensive service sector workers as well as new tourism/cultural/leisure opportunities. However, as the population has increased, transport congestion and air quality have become major constraints on inclusive growth.

2.6. Significant interventions are planned through the West Yorkshire Transport Fund and Connecting Leeds interventions and by the rail industry. However, as a whole there remains insufficient resilience and capacity in our urban transport system, particularly to the key employment centres. This will constrain business labour markets catchments, and constrain the ability to train and develop the next generation, by restricting access to colleges and universities. As identified by the National Infrastructure Commission, this is affecting many urban centres across the North of England and will increasingly inhibit economic development, living standards and our ability to help rebalance the national economy.¹

2.7. Urban transport infrastructure to distribute the benefits of HS2 / Northern Powerhouse Rail (“NPR”) cannot drive inclusive growth alone; a range of factors are essential to creating a coordinated programme of activity aiming to create more and better jobs, with a highly skilled workforce to sustain them. But the lack of urban transport capacity/infrastructure will inhibit growth.

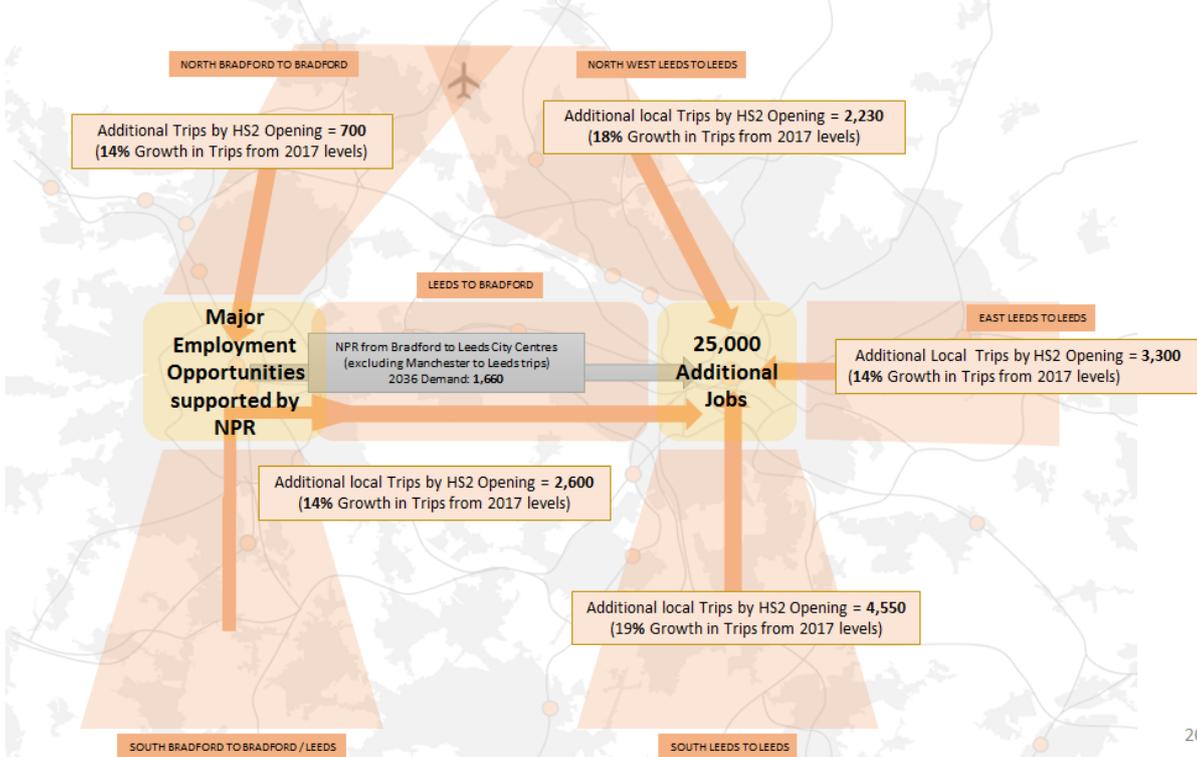
¹ National Infrastructure Commission, “National Infrastructure Assessment”, July 2018

2.8. This report sets out the first steps in helping to ensure space in the core urban centres is used effectively, with room allocated for high capacity, fast, frequent local public transport systems which allow our local urban communities to access employment opportunities and support our region’s plans for a 21st century transport system.

Planning for Growth

2.9. The HS2 Growth Strategy and the Strategic Economic Plan set out the potential for almost 150,000 new Full-Time Equivalent jobs to be created across the City Region by the time of HS2 opening in 2033. This includes 25,000 additional FTEs in Leeds City Centre. People need to travel to get to work and the additional jobs create extra pressures on the already heavily congested transport system. The scale of additional trips forecast is illustrated in Figure 2.1.

Figure² 2.1: Forecast increase in trips into Bradford and Leeds by 2033³



2.10. At a national level overall numbers of trips being made are falling⁴. This trend has not yet, however, been seen in West Yorkshire/Leeds City Region. The average number of trips per person by all modes in West Yorkshire is above the national average and has remained fairly stable over a number of years. Cars and vans make up 70% of all our travel to work trips and recent trend data shows the use of cars in our major urban centres increasing. With our economy centralising towards city centres, which are increasing in size and

² Larger versions of all figures can be found in Appendix 1
³ AM peak hour trips, based on information produced by WYCA Research and Intelligence Team
⁴ “The future of travel demand and its implications for policy and practice”
<https://www.its.leeds.ac.uk/about/news/the-future-of-travel-demand/>

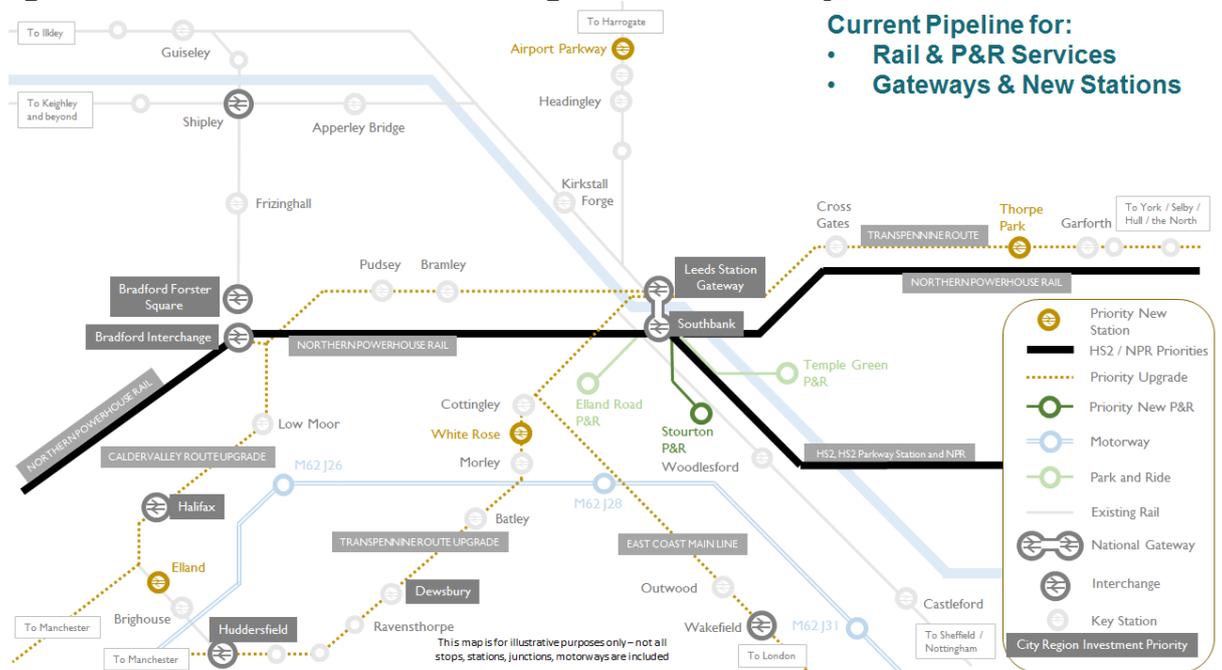
with many new employment opportunities being focused around Knowledge Intensive Businesses ('KIBs') in the professional services, retail, financial, health and creative sectors, the demand for travel into cities is expected to remain strong and increase.

- 2.11. With the scale of growth forecast, by the time of HS2 opening the urban communities in Leeds City Region will not be able to access the employment opportunities in the vicinity of the Leeds HS2 station gateway or access the onwards HS2 connections because there is insufficient urban transport capacity.
- 2.12. As highlighted by the National Infrastructure Commission, there is a clear need for additional urban transport capacity to enable people in local communities (i.e. housing/suburban areas) across the city region to travel to current and future employment opportunities, alongside strategic network investment such as HS2 and NPR.
- 2.13. Business as usual for connectivity will not enable the social and economic constraints to be resolved or the economic opportunities to be achieved.

Agreed Regional Connectivity Priorities

- 2.14. As a region we already have an ambitious programme of schemes in delivery through the West Yorkshire 'plus' Transport Fund, 'Connecting Leeds' and with partners such as Transport for the North and Highways England. And these are complemented by the Combined Authority's strategic transport priorities which are described in Appendix 1 and a number are illustrated in Figure 2.2.

Figure 2.2: Illustration of Current Regional Connectivity Priorities



- 2.15. These schemes are essential to delivering pan-northern transformational connectivity. They are also supported by a series of mainly highways and bus

priority interventions within each partner authority, which help to address historic underinvestment in transport in the north.

- 2.16. However, even with the current committed and planned investments, there is a substantial capacity gap to enable the local communities within the City Region to access the future employment opportunities.
- 2.17. The City Region needs to address this major capacity challenge, if the ambitions for inclusive, economic growth are to be realised.

Towards a 21st Century Public Transport System

- 2.18. Different transport modes fulfil different purposes and can help address the capacity challenge in different ways. Efficient transport systems across other city regions integrate different modes, enabling the best mode to be used to meet demand and address the local economic challenges/need.
- 2.19. The role and requirements for different modes of transport is driven by a range of factors, but, fundamentally different modes of transport can meet different scales of demand. Appendix 2 sets out a summary of the role of different modes. Within each mode, the future technology opportunities are moving forwards through innovations in propulsion systems (e.g. battery, EURO IV diesel, hydrogen) and increasing levels of autonomous operations. Yet even with these innovations, Appendix 2 demonstrates that the basic level of capacity provided by each mode remains constant.
- 2.20. Based on analysing the evidence around the current and forecast levels of demand, especially into Leeds City Centre, by the time of HS2 opening in 2033 there is a need to deliver a mass transit system⁵ within the core urban areas of West Yorkshire. It would connect high density local communities / labour markets into the national hubs and centres, as part of an integrated public transport system. Mass transit is just one element of integrated future pipeline; the system would need to be integrated within the wider public transport offer, for example through bus services feeding the mass transit services. Bus will continue to have a very important role in the transport network.
- 2.21. The adopted West Yorkshire Transport Strategy sets the ambition to be at the forefront of 21st Century, innovative technologies. In introducing a mass transit system, there is the opportunity to learn from past experiences, bringing together the best elements of systems elsewhere in the UK and beyond, and innovate through new autonomous / propulsion technologies. The region has the opportunity to implement new and emerging technologies which are not yet commonplace in UK, and become a world leader in advanced mass transit technologies.
- 2.22. As outlined above, different modes of transport serve different purposes. Whilst the principle need here is to grow capacity, research undertaken by

⁵ This is subject to the conclusions of the Business Case, which would need to be developed as a next stages in development. The phrases Mass Transit, Light Rail and Tram are often used interchangeably to mean a vehicle which can carry 200-300 people. As Appendix 2 illustrates a Mass Transit vehicle can carry 200-300 people – a vehicle of this size requires a steel rail.

Urban Transport Group has demonstrated that mass transit systems can bring many wider benefits, including:

- The opportunity to raise living standards and productivity through regenerating areas as a result of transit-led development. The development of mass transit in conjunction with major changes in the urban fabric is an effective way of supporting development activity, as has been demonstrated primarily in London Docklands, but also in Manchester and Nottingham for example;
- Penetration of town and city centre with permanent, visible, and acceptable infrastructure: direct access can be provided to city centre jobs, shopping, colleges and universities in a way that is highly visible, reliable and dependable and improves air quality;
- Predictable, regular and reliable journey times and service patterns, which meet local ambitions: service levels are generally high on simple, easily understood routes, generally operating at a high level of reliability due to segregation from traffic, priority at junctions and contractual incentives to operators;
- Raises the profile of the region and encourages inward investment: the image offered by mass transit permanent infrastructure, vehicles and operations secured in the long term, gives individuals and business confidence to make location decisions;
- Stops which are fully accessible to all users: Vehicles are highly accessible to all users and can provide 100% level boarding at stops. Other features include highly visible stops, good information, easy to purchase tickets and security measures (visible staff or police on and around the system, CCTV etc.);
- A high quality of ride throughout the entire journey, whether or not a system is fully segregated or mixes on-street and off-street running; short dwell-times: Multiple doors and off-vehicle ticketing ensure mass transit has the benefit of short dwell times at stops, with consequent journey time benefits;
- Additional capacity in a sustainable way – mass transit can provide additional passenger carrying capacity to existing city centres or major developments, whereas new road capacity would not be acceptable and bus is unable to meet the need;
- Providing capacity relief for the rail network, particularly at local rail stations close to city centres, and allowing the rail network to better serve the markets where it is the natural mode choice;
- A realistic, quality alternative to car users – a substantial body of industry evidence demonstrates that many car users would not choose to use a bus (regardless of how good a service is operator), but the same car users would be willing to travel by mass transit;
- Providing the opportunity to create a hierarchy of modes which integrate together to provide seamless interchange and services for passengers. For example, providing local communities with the ability to easily access

the NPR / HS2 stations in Leeds and Bradford – spreading the benefits of these national infrastructure projects;

- Provides opportunities for an expanded network into the future for example, potentially through integration with Tram-train technologies applied to existing rail lines in the future.

2.23. However, lessons learnt from elsewhere suggest that there are also significant challenges associated with delivering mass transit. These include for example, the scale of costs involved, integration with bus within the deregulated market, engineering / deliverability challenges, as well as ensuring value for money for both users and investors. Funding and financing is a major challenge both for development and construction - early identification of the funding strategy is essential. Whilst the cost of implementing mass transit can be high, the scale of benefits which it delivers are also high (for the reasons set out above). Other cities in the UK and beyond are demonstrating mass transit does offer high value for money and can also open up new funding opportunities.

Transforming connectivity for local communities by 2033

2.24. To establish where to address the 'Capacity Challenge', we are working through the following analytical and structured process to create the future pipeline:

- Stage 1:** Prioritising those communities of greatest economic need (as identified through the Leeds City Region HS2 Connectivity Strategy and endorsed by Transport Committee on 25 May 2018, following public and stakeholder).
- Stage 2:** Creating a 'Single Evidence Base', which brings together the challenges and opportunities across: socio-economic demographics; major housing and employment opportunities; anticipated land use changes and new employment growth zones; the environmental and clean energy opportunities; the known transport constraints as well as the forecast changes to travel demand patterns and capacity.
- Stage 3:** Based on conclusions above, identify those key 'Communities to Connect' through transformed connectivity.

2.25. To date this approach has been undertaken for 4 of the 24 Inclusive Growth Corridors⁶. These first four corridors were prioritised based on their high volumes of demand:

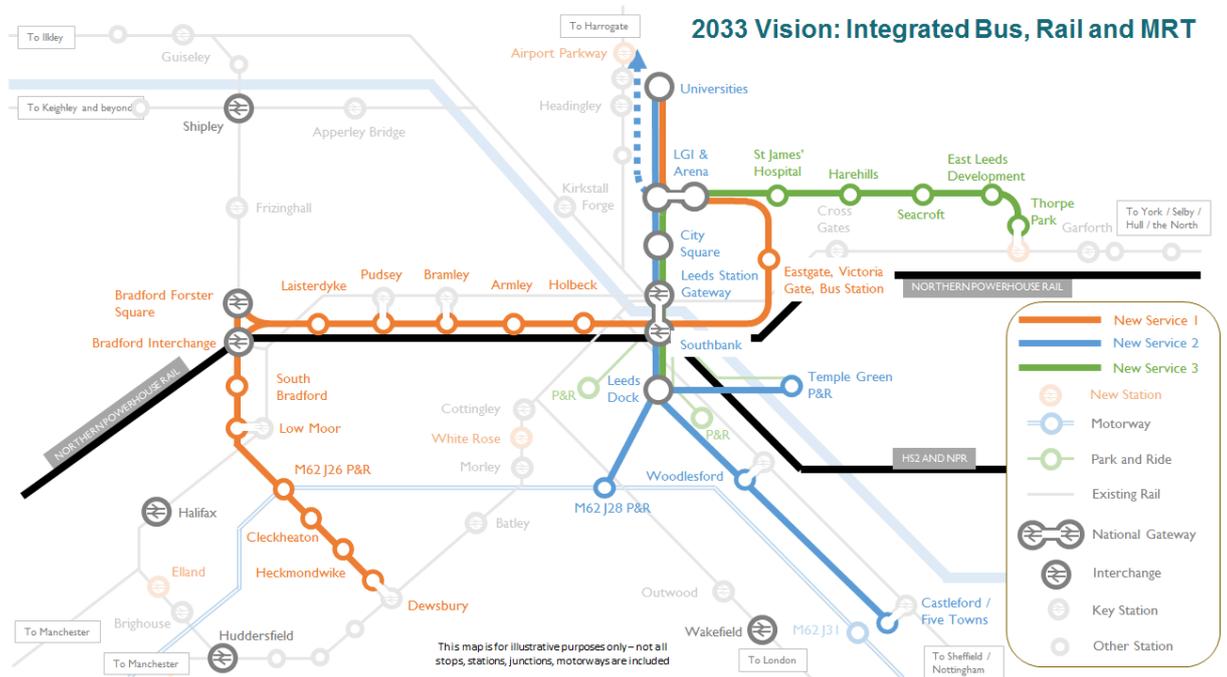
- Leeds Bradford cross city connectivity
- Extending the Southbank opportunity to the south of Leeds
- Encouraging new development from Bradford City Centre to South Bradford / North Kirklees

⁶ The programme for development of the remaining corridors was also considered by Transport Committee in May 2018. The report and associated appendices can be found here: <https://westyorkshire.moderngov.co.uk/documents/s7238/Item%208%20-%20Leeds%20City%20Region%20HS2%20Connectivity%20Strategy%20v2.pdf>

- Accelerating inclusive growth in the East of Leeds towards St James' Hospital and the East Leeds extension

2.26. Through this process, the key 'places to connect' for these four corridors have been identified and are illustrated within Figure 2.3. The work to date proposes three new public transport services to increase capacity between key local urban communities into national hubs – the orange, green and blue lines. These services require entirely new infrastructure and whilst complementary to the existing transport system, offer the opportunity to reimagine how other modes such as bus and rail can integrate with it. Together these new services would form the first tranche of the 'City Region Transit Network' to open in parallel with HS2 opening in 2033.

Figure 2.3: 2033 Emerging City Region Transit Network with HS2⁷



2.27. In designing schemes which connect these places and deliver the ambition, a set of inclusive growth targets have been developed for each service. These are summarised in Appendix 3 and form a key design criteria for scheme development.

2.28. The services highlighted in Figure 2.3 would be entirely new (and complementary but separate to the existing heavy rail network). They have the potential to form a key component of the emerging City Region Connectivity Strategy, and have the potential to help shape the future ambition for the development of an inclusive, 21st century, integrated transport system for the region for the next 20 years and beyond. Further

⁷ It is important to note that, detailed alignments, confirmation around mode choice and business case value for money assessments would be developed as part the next stage of development works and would also be informed by feedback and amendments as a result of from the proposed forthcoming engagement. At this stage the image is intended to illustrate the key communities to connect through transformed connectivity by 2033. It is likely that Mass Transit has an important role to play for these services given the scale of demand forecast and the economic needs of these communities.

development on additional corridors is still on-going (for further details of the Inclusive Growth Corridor Plans, see Appendix 5).

- 2.29. Mass transit vehicles are anticipated to be required to meet the capacity need in delivering these new City Region Transit Network services. This is only the start of the conversation. Through the conversation with stakeholders and the public as well as through development of the business cases, other modes such as Bus Rapid Transit or Tram-Train will continue to be assessed and may be more suitable for example, where there lower levels of capacity are required or where there is direct interface with the heavy rail network respectively.
- 2.30. The proposals will provide significant benefits across the entire region. Of the proposals presented in Figure 2.3, the benefits for West Yorkshire include the following:

Kirklees

- Complement investment in Transpennine Route Upgrade to the Huddersfield-Leeds line - to help create major regeneration areas to help realise the economic and social opportunities for North Kirklees
- Linking key new employment and housing sites in North Kirklees Growth Zone (Dewsbury) into Leeds (city centre, White Rose Centre Aire Valley Enterprise Zone) and Bradford (city centre and South Bradford)
- Addressing the poor public transport provision in areas particularly from within North Kirklees (where there is also no rail connectivity) connecting to Leeds and Bradford
- Provide transformed public transport provision through new park and ride provision to better connect and speed up journeys to Leeds and Bradford and provide congestion relief to the M62

Bradford

- Complementary investment in the Calder Valley rail route, improving journey times and travel options, including increased peak time capacity and improved options at evenings and weekends
- Enhance public transport provision linking Bradford Stations for enhanced north-south connectivity, integrated with Northern Powerhouse Rail
- Transform connectivity to help accelerate transit led regeneration / development in Bradford
- Provide new, additional capacity between Bradford and Leeds to serve a high density, interconnected urban economy
- Provide enhanced links between the urban centres of Bradford and Huddersfield, and connect communities in between to enable better access to employment opportunities

Calderdale

- Address the poor public transport provision and access to key employment centres
- Help to shape the development and future proposals for the Calder Valley Line and deliver continued improvements to the route including, but not limited to, electrification.
- Support transformation of connectivity for the entire Leeds-Bradford-Halifax corridor. This will address connectivity challenges for the various poorly connected residential centres and for employers seeking staff with the right skill sets – there are multiple such communities on this corridor.
- Enable sustainable growth in Calderdale’s Garden Suburb proposals and the Clifton Business Park commercial developments with transit orientated development.
- Strengthen the role of Halifax as a focus for growth and a cultural centre attracting national and international visitors

Wakefield

- Complement investment in East Coast mainline and HS2 to make the most of enhanced pan-northern and national connectivity and strengthen Wakefield’s role as a centre for business and culture
- Provide transformed public transport provision through new park and ride to Leeds - with potential congestion relief to the M62
- Transformed connectivity for the Five Towns area – to be developed further in the next stages of the Inclusive Growth Corridor programme. This will address connectivity challenges from the Five Towns to urban centres – e.g. connectivity north to Leeds and east to Selby – as well as enhanced connectivity between the Five Towns themselves.

Leeds

- Support and facilitate the developments within the Southbank, Aire Valley, Airport and Thorpe Park employment areas across the City
- Introduce, new innovative advanced technologies which create significant additional transport capacity from labour markets across the region
- Provide transformed connectivity which builds on the existing ‘Connecting Leeds’ proposals.
- A 21st century, high quality, high capacity intra city travel, while only part of the solution to transforming travel in Leeds, remains a key requirement in the transport investment pipeline.

Supporting Delivery of Inclusive Growth

- 2.31. The transformed connectivity set out in this report has the potential to raise productivity, living standards and improve air quality; thereby supporting delivery of Inclusive Growth to communities across the region. Illustrations of the economic impact of these new services on communities by 2033 are summarised below:

- Charlie, the NHS nurse who lives in Skipton and travels frequently to St James's and LGI hospitals (the joint largest NHS Hospitals in the North of England) would have a quicker, more reliable and direct route to work. Charlie would be able to interchange between hospital sites efficiently, meaning that Charlie could spend more time with patients.
- With HS2 East and the proposed City Region Transit Network, Mia the owner of an SME Medtech business in Birmingham will now be able to get to the important business meeting in Leeds Dock in less than an hour, rather than the current three hour journey time.
- Jessica, the academic who lives in South Yorkshire and travels between universities in Sheffield and Leeds will now have a quicker, more direct services connecting both sites. Jessica would now also be able to take up a permanent position at one of the Leeds Universities as the commuting time has halved compared to current journey times.
- Alethea, is currently studying her GCSEs at Swallow Hill Community College and lives in South Bradford. The careers advice support given to her through the College gave her the inspiration to start a career in Architecture and develop her skills through a Built Environment Design Apprenticeship at the Leeds College of Building. She would not have been to access this course by public transport without the City Region Transit Network.
- The large numbers of commuters traveling from the York (/ East Riding) direction towards Leeds would have more resilient travel options as a result of the interchange facility at Thorpe Park. For example, Ben would now have the choice to travel by the new 'green' service to his offices in the innovation district of Leeds in the North city centre, or continue travel by rail to Leeds Station Gateway. This would also free up capacity on the existing heavily congested Leeds – Garforth – York railway line for other commuters.
- A start-up communications and technology company in Pudsey has recruited an advanced apprentice studying IT, software, web & telecommunications. The company accessed an Apprenticeship Grant for Employers grant. With the new City Region Transit Network in place, Ethan, who lives in Cleckheaton was able to apply for the apprentice position as he does not own a car. He has now completed the apprenticeship training and is employed as a programmer within the company.

Next steps for the emerging City Region Transit Network

- 2.32. The next stages of work for the proposals set out in Figure 2.3 are for further consideration by Transport Committee/ Combined Authority, as well as individual district Executive Boards (as required) in the run up to Christmas. It is also proposed to set up an on-going member working group to continue to oversee the work. This would enable the wider engagement and conversation with the region to formally commence after Christmas. Appendix 4 provides further details around the proposed engagement.

- 2.33. For the engagement and conversation, there is the opportunity to commence a twin-track process:
- With stakeholders focused around whether the principles set out in this report meet expectations and ambitions for the region
 - With communities in the areas of the proposed services, to help shape the work.
- 2.34. Subject to these next stages in the development, further reports would be brought back to Transport Committee and Combined Authority. Given the scale of development work required, the report proposes a member working group be set up to oversee the development of the City Region Transit Network. Appendix 6 provides further details around the scope of this group.
- 2.35. If there is support for the proposals set out here to be delivered by the time of HS2 opening in 2033, development work needs to start as soon as possible, given the long lead in times for major projects. Delivery would need to be in a phased approach. There is also the opportunity to consider integration of this work with the emerging Transforming Cities Fund submission.

Next steps for the Inclusive Growth Corridor Plans

- 2.36. Paragraph 2.24/2.25 set out that to date the development of the corridor plans has focused on:
- Leeds Bradford cross city connectivity
 - Extending the Southbank opportunity to the south of Leeds
 - Encouraging new development from Bradford City Centre to South Bradford / North Kirklees
 - Accelerating inclusive growth in the East of Leeds towards St James' Hospital and the East Leeds extension
- 2.37. In parallel with the proposals set out above, it is anticipated to increase development work for the wider corridor plans.
- 2.38. The next tranche of corridors to be focused are listed below and further phases are planned to commence early in 2019. Further details are provided in Appendix 2:
- Leeds – Five Towns (*included within scope of Transforming Cities Fund⁸*)
 - Leeds – Wakefield – Barnsley (*included within scope of Transforming Cities Fund*)
 - Leeds – Bradford – Halifax (*included within scope of Transforming Cities Fund*)
 - Bradford City Centre to Airport

⁸ Transforming Cities Fund provides funding in the period between 2018-2023. Details of the Leeds City Region submission can be found here: <https://www.westyorks-ca.gov.uk/transport/> and the item is discussed in the following agenda item.

- Leeds to Airport

2.39. Together, the conclusions of all the corridor plans will help shape the future pipeline (the potential City Region Transit Network would form only one element), which will be set out in the overarching Connectivity Strategy. The corridors plans will also help to shape the Inclusive Growth agenda and feed into the Local Inclusive Industrial Strategy.

Conclusions and Key Messages

2.40. This report develops the first tranche of Inclusive Growth Corridors (those areas with greatest economic need/opportunity), as identified in the HS2 Connectivity Strategy. The report sets out how transforming connectivity in the communities of greatest economic need will help raise productivity, living standards and improve air quality, thereby helping to deliver Inclusive Growth.

2.41. The conclusions set out here build on the current investment in transport improvements across York, Wakefield, Leeds, Bradford, Calderdale and Kirklees. Significant improvements are already being made through programmes including Connecting Leeds and the West Yorkshire-plus Transport Fund across Walking, Cycling, Bus and Rail.

2.42. This report seeks to ‘opening a conversation’ on future solutions to future capacity requirements and delivering inclusive growth - including maximising the positive impact of strategic transport investments (HS2/NPR).

2.43. Subject to feedback received through the conversation, the proposed City Region Transit Network has the potential to form a key priority for delivery in the timeframe up to HS2 opening in 2033.

2.44. Different modes of transport serve different needs and provide different levels of capacity. Technologies have moved forwards significantly in last decade. For example, new battery technologies, hydrogen propulsion and autonomous innovations are changing advance mass transit vehicle technologies.

2.45. The analytical and evidence based approach applied here is focused on connecting communities in greatest economic need/opportunity. This is the logical and evidenced based next step in the City Region’s plans for transport investment.

2.46. Significant further development work is required on the City Region Transit Network and would be informed by the conclusions of the forthcoming engagement.

3. Financial Implications

3.1. There are no direct financial implications from the report, however, the pipeline outlined have high value and high cost. A funding strategy for the emerging schemes identified here is essential and will be developed as part of the next stages of development.

- 3.2. Funding approvals for the Inclusive Growth Corridor Plans were granted through the Combined Authority Assurance Process, with capital approval sought at the 5 April 2018 West Yorkshire Combined Authority meeting.

4. Legal Implications

- 4.1. The West Yorkshire Combined Authority is the Local Transport Authority for West Yorkshire. Individual District Authorities are the Local Highways and Planning Authorities for their area. As such, the development of this Connectivity Strategy requires a collaborative partnership and mutual support between the Combined Authority and District Authorities.
- 4.2. In April 2017, the Combined Authority delegated oversight to the development of the Connectivity Strategy to Transport Committee. The West Yorkshire Transport Committee has a key role in overseeing the development of the Connectivity Strategy, which will help shape the future connectivity pipeline for the region.
- 4.3. In April 2017, Transport Committee noted that that land already within West Yorkshire Combined Authority ownership from development of previous mass transit schemes will be retained until the new LCR HS2 Connectivity Strategy identifies that it is no longer required for this purpose. The emerging conclusions set out in this report demonstrate that this land may be required for this purpose and as such should be retained subject to the conclusions of the detailed alignments which would be considered as part of the next stages of development.
- 4.4. An Integrated Sustainability Appraisal was developed for the West Yorkshire Transport Strategy 2040. It is anticipated that this will be updated in parallel to the development of the Leeds City Region Connectivity Strategy.

5. Staffing Implications

- 5.1. Development work has been undertaken within the West Yorkshire Combined Authority Transport Policy Team in partnership with partner district authorities.

6. External Consultees

- 6.1. The development of this report has reflected feedback and input from district partners. It also follows feedback from the recent Transport Committee member workshop as well as individual West Yorkshire Leader / Portfolio Holder meetings.
- 6.2. Subject to feedback and consideration by Transport Committee, it is anticipated that tailored versions of this report will also be considered by each West Yorkshire District Authority Executive Boards in the coming months.
- 6.3. The summary of the Engagement approach is included within Appendix 4. Engagement on the proposals set out here is anticipated to formally commence early in the New Year.

7. Recommendations

- 7.1 That Transport Committee notes the ongoing development of the Inclusive Growth Corridor Programme which will help to shape the future connectivity pipeline for the Leeds City Region.
- 7.2 That Transport Committee endorse commencing a conversation with the public and stakeholders around the new 21st century connectivity services and technologies required to address the economic and transport challenges facing West Yorkshire, to complement to complement future strategic infrastructure including HS2 and Northern Powerhouse Rail (NPR).
- 7.3 That the Transport Committee establish a member working group to oversee the development of the emerging City Region Transit Network.

8. Background Documents

- 8.1 25 May 2018 Leeds City Region Connectivity Strategy report to Transport Committee

9. Appendices [Available [here](#)]

Appendix 1: Current Pipeline Illustrations and Future Connectivity Maps
Appendix 2: Role of Different Modes
Appendix 3: Proposed Service Targets
Appendix 4: Engagement Strategy
Appendix 5: Inclusive Growth Corridor Programme Update
Appendix 6: Draft scope for Member Working Group

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Report to: West Yorkshire Combined Authority

Date: 13 December 2018

Subject: **Transforming Cities Fund**

Director: Alan Reiss, Director of Policy, Strategy and Communications

Author(s): Tom Gifford

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 Following the Transforming Cities stage 1 submission being successfully approved by Government, the purpose of this report is to:

- Provide an update to West Yorkshire Combined Authority on Transforming Cities Fund;
- Seek endorsement to the continuation of the Transforming Cities Fund member working group sessions to oversee the development of the Transforming Cities Fund stage 2 submission;
- Seek agreement for the Managing Director to exercise his delegated authority to submit the 'small bid' in consultation with the Chair of the Combined Authority and Chair of Transport Committee;
- Seek delegated authority for the Transport Committee to oversee and submit the 'big bid' and the Future Mobility bid;
- Seek approval to spend the £50,000 grant funded by the Department for Transport to support the development of the Stage 2 bid.

2 Information

2.1 The Transforming Cities Fund ("TCF") was announced in the Budget of November 2017 as a £1.7 billion fund to "support intra-city transport, will target

projects to drive productivity by improving connectivity, reducing congestion and utilising new mobility services and technology”. The government originally made £840 million capital funding available for competitive bidding by non-mayoral combined authorities over the four year period to 2021-22; as of the Budget announcement on 29th October 2018, the total available is £1.28 billion and the period has been extended to 2022-23.

2.2 Key points include:

- £1.28 billion of funding is available to non-mayoral authorities in England. The Department for Transport (“DfT”) have set out that the competition to access this money will take a two stage application process. This includes an allocation of £60m available in financial year 18/19.
- Ten authorities (“*Derby & Nottingham, Leicester City, the North East, Norwich, Plymouth, Portsmouth, Southampton, Sheffield, Stoke-on-Trent and West Yorkshire*”) have been successful in reaching stage 2, and the 29 October budget announced that a further two areas would be allowed to bid. The DfT received circa 20-25 stage 1 bids.
- In both TCF stages 1 and 2, bids are being competitively assessed against each other with funding awarded to the proposals which demonstrate the greatest improvements to productivity and offer the best value for money.

2.3 The DfT Stage 1 guidance outlined that stage 1 submissions are ‘light touch’ – in essence to agree the functional geography and broad scope of the submission. Individual schemes and information costs were not required for the stage 1 submission.

2.4 On 8 June 2018, West Yorkshire Combined Authority submitted the stage 1 TCF submission on behalf of the Leeds City Region (“LCR”). The contents of the LCR stage 1 decision were developed through a series of workshops, 1:1 and committee meetings with members and officers from across the City Region. The LCR Stage 1 submission was required to be published online and is available through the weblink below¹. The LCR stage 1 submission focused around three themes:

- Strand 1: Transforming connectivity on four corridors in greatest need.
- Strand 2: Creating eight Transformed 21st Century Gateways (plus a number of smaller locations).
- Strand 3: Transforming mobility for future generations (which to a degree also cuts across Strands 1 & 2).

2.5 The Government decision on Stage 1 bids was made on 27 September 2018 (a decision was originally expected in July 2018).

¹ <https://www.westyorks-ca.gov.uk/transport/transforming-cities-fund/>

Development of the stage 2 submission

- 2.6 With the scope and geography now agreed, through stage 2 the detailed proposals within each strand need to be developed. DfT have advised that in the development of stage two submissions, successful city regions will work with DfT to develop scheme specific proposals.
- 2.7 The DfT guidance has now been released for the 'small bid' submission, with guidance for the other bids to follow. The working assumptions are that:
- A. The Combined Authority can submit a 'small bid' on behalf of the region with a value up to £10m by 4 January 2018, with at least an element of spend commencing in financial year 2018/19, for a proportion of the total DfT TCF allocation £60m available in financial year 2018/19 (further details provided in paragraphs 2.12-2.15)
 - B. The Combined Authority can submit a 'big bid' on behalf of the region, which can be submitted as part of a strategic outline business case during 2019, for a proportion of the £1.28billion funding available.
 - C. The Combined Authority can submit a separate bid on behalf of the region to the separate £90m Future Mobility fund, to create Future Mobility Zones in which to trial new transport modes, services and digital payments.

Leeds City Region TCF Member Working Group

- 2.8 As with stage 1, the contents of the stage 2 bid will be developed in collaboration with Leeds City Region stakeholders, officers and members.
- 2.9 The 5 April 2018 Combined Authority meeting agreed that a 'Task and Finish' working group for portfolio / lead members be set up to shape the stage 1 submission. This was invaluable in shaping the stage 1 submission and it is proposed to set up regular meetings of the group to shape the stage 2 submission.
- 2.10 In addition, a series of working groups took place with officers from partner authorities from across the Leeds City Region to develop the bid. Dialogue is also continuing with the Leeds City Region Local Enterprise Partnership as well as with private sector partners including bus operators and universities.
- 2.11 It is proposed to continue this approach for the stage 2 submission and to widen the invite to representation on the Member working group to the North Yorkshire authorities which are 'in scope' for the Leeds City Region submission.

The 'Small Bid'

- 2.12 The DfT has set up TCF Stage 2 to be a competitive process against other regions. For the Small Bid, the 12 successful applicants are bidding for a share of £60m which is required to be spent in 2018/19.

- 2.13 We have been advised that a 'small bid' submission can be made for Leeds City Region of up to £10m. The 'small bid' must be submitted by 4 January 2018, with a decision from DfT anticipated by end of February 2018. Spend would be expected to commence immediately thereafter. The 'small bid' guidance document and application form were circulated by the Department on 26 November 2018.
- 2.14 Given the short timescales for developing and submitting the 'small bid', it is proposed to hold the first LCR TCF Stage 2 Member working during December, with the agenda focused on the scope of the Small Bid. Following the member working group meeting, the contents of the small bid will be circulated to all Combined Authority members and transport Portfolio Holders.
- 2.15 With the timescales required for submission of the 'small bid', this report proposes that the Managing Director exercises his authority to submit the 'small bid', in consultation with the Chairs of the Combined Authority and Transport Committee.

3. Inclusive Growth Implications

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

4. Financial Implications

- 4.1 The DfT has made a contribution of £50,000 to the development of the stage 2 submission. This will support the development of the various bids as part for stage 2.
- 4.2 No budget allocations have been set by Government for the money available to the 10 successful Stage 2 applicants. Allocations for the 10 successful authorities including Leeds City Region will be developed through the Stage 2 co-production phase with the Department for Transport.
- 4.3 Following the successful stage 1 submission, on behalf of the City Region, the West Yorkshire Combined Authority has the opportunity to 'co-develop with the Department for Transport' three bids:
- A 'small bid' with a value of up to £10m, to compete (against the other successful regions) for an element of £60m funding which is available to be spent in 2018/19 in TCF.
 - A 'big bid' for an element of the £1.28b funding available to be spent by 2023 to transform local connectivity in accordance with the scope of the Stage 1 submission.
 - Work with the department on the development of Future Mobility submission.

4.4 Devolved City Regions (such as Manchester, Liverpool and Tees Valley) are not required to 'bid' for any of this funding and instead have been allocated/devolved funding on a per capita basis.

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 Drafts of this report have been shared with Leeds City Region district officers for comment.

8. Recommendations

8.1 That the Combined Authority notes the progression of the Leeds City Region Transforming Cities Fund bid to the stage 2 co-development phase.

8.2 That the Combined Authority endorses setting up further on-going member working groups to support the development of the Leeds City Region stage 2 Transforming Cities Fund bids.

8.3 That the Combined Authority agrees that the Managing Director exercises his delegated authority to submit the 'small bid' in consultation with the Chairs of the Combined Authority and Transport Committee.

8.4 That the Combined Authority delegates authority to the Transport Committee to oversee and submit both the 'big bid' and the 'Future Mobility bid'.

8.5 That the Combined Authority grants approval to spend the £50,000 contribution made available by the Department for Transport to support the development of the Stage 2 bids.

9. Background Documents

- Combined Authority Reports on Transforming Cities Fund on 14 December 2017 and 5 April 2018
- Transport Committee Reports on Transforming Cities Fund 15 May 2018 and on 9 November 2018.
- LCR TCF Stage 1 submission document:
<https://westyorks-ca.gov.uk/transport/transforming-cities-fund/>
- LCR TCF Stage 1 Approval Letter from the Department for Transport.

10. Appendices

None

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Report to: West Yorkshire Combined Authority

Date: 13 December 2018

Subject: **Policy Developments**

Director: Alan Reiss, Director of Policy, Strategy and Communications

Author(s): Marc Eatough, Jacqui Warren, Noel Collings and Sarah Bowes

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 Combined Authority with an update on the development of the Leeds City Region policy framework and recommend adoption of the following strategies:

- Leeds City Region Digital Framework;
- Green & Blue Infrastructure Strategy & Delivery Plan; and
- Energy Strategy and Delivery Plan.

2. Information

Policy Framework

2.1 As previously reported, work is progressing to replace the Strategic Economic Plan (SEP) with a broader, long-term policy framework and Local, Inclusive Industrial Strategy (LIIS) aimed at driving growth, boosting productivity and earning power for a post-2030 economy (Appendix 1).

2.2 Establishing a long term framework will enable bold and innovative thinking alongside long-term planning to meet entrenched challenges. Designed to enable a more flexible and agile approach to policy development, it will also provide the framework for investment, including the future UK Shared Prosperity Fund.

- 2.3 The policy framework extends across the full spectrum of activity delivered by the LEP, Combined Authority and partners. Embedded within the framework are a set of key principles, including the importance of ensuring that all Combined Authority and LEP strategies are aligned with a clear focus on:
- meeting our vision to be “*a globally recognised economy where good growth delivers high levels of prosperity, jobs and quality of life for everyone*”
 - contributing to the 2035 ambition for the City Region to have a £100bn plus economy, becoming a positive, above average contributor to the UK economy;
 - tackling four challenges and delivering inclusive growth outcomes:
 - the City Region’s productivity gap with national and international peers is too large and growing;
 - investment, particularly private sector investment in research and development is too low; and
 - living standards in the City Region have stalled; and
 - stubborn deprivation persists.
 - decarbonising all sectors of the economy through the 2020s and contributing to national commitments on climate change.
- 2.4 The longer-term intention for the policy framework and supporting strategies is for a digital platform displaying key strategies and supporting documentation aligned against the building blocks of the policy framework (Appendix 1).

Overview of the strategies recommended for adoption

Digital Framework (Appendix 2)

- 2.5 Digital technologies and data can play a key role in addressing some of region’s biggest challenges. This is the City Region’s framework for making sure people across the region see maximum economic and social benefit from digital technologies.
- 2.6 The framework focuses on five inter-connected outcomes that will enable our public, private and community partners across the region to achieve one core aim: lives transformed by digital tech. The strategy has been formally endorsed by the Business Innovation and Growth Panel [27th November] and the LEP Board [22 November 2018], following wide consultation.
- 2.7 Working groups will be established to develop and own action plans to ensure the aspirations in the framework are realised, building on existing activity taking place across the City Region. Each of the five outcomes of the framework will be owned by various existing Panels and Boards. Working groups will report directly to Panels. More detailed papers are available [here](#).

Energy Strategy & Delivery Plan (Appendix 3)

- 2.8 The Energy Strategy and Delivery Plan is the response of City Region partners to the global challenge of providing a secure, affordable energy supply for our residents and businesses, while also lowering carbon emissions

to help the UK meet its national (Climate Change Act) and international (Paris Climate Change Agreement) carbon reduction targets.

- 2.9 The Strategy sets out how investment will be targeted across five priority actions areas to meet the ambition of becoming *a zero-carbon energy economy*. The Strategy also sets the carbon emission reduction trajectory that the City Region would need to deliver against to comply with the Paris Climate Change Agreement and seeks feedback from the Board on the setting of a City Region carbon reduction target in line with Paris.

The Strategy has been endorsed by the Green Economy Panel [23 October 2018] and adopted by the LEP Board [22 November 2018]. More detailed papers are available [here](#).

Green & Blue Infrastructure Strategy & Delivery Plan (Appendix 4)

- 2.10 This strategy and delivery plan sets out how we will make the most of the region's amazing natural assets to help the economy prosper, enable people to enjoy a great quality of life, and combat the effects of climate change.
- 2.11 The strategy focuses on seven priorities to achieve the following vision: *"Everybody in the City Region is within easy reach of an outstanding and well used network of green and blue infrastructure that reduces flood risks and supports health, the economy, the environment and a superb quality of life"*. A shortlist of 12 projects have been identified from a long list of over 160 for delivery over the next 5 years. The Strategy has been endorsed by the Green Economy Panel [23 October 2018] and adopted by the LEP Board [22 November 2018]. More detailed papers are available [here](#).

3. Inclusive Growth Implications

- 3.1 Inclusive growth will underpin everything that we do and will be used as a principle against which we will test, judge and measure success.

4. Financial Implications

- 4.1 Digital Framework - There are no financial implications in endorsing this strategy. Specific activities which arise through the working groups may require future funding but these will be considered as separate requests, as required.
- 4.2 Energy Strategy and Delivery Plan - Given the scale of the projects identified in the ESDP there are likely to be financial implications for the Combined Authority. Further work will be undertaken to understand the scale of the financial ask, and this will be reported at a future Combined Authority meeting.
- 4.3 Green and Blue Infrastructure Strategy and Delivery Plan - There will be financial implications for the Combined Authority of both contributing to a shared resource and delivering the projects identified. Further work will be undertaken to understand the scale of the financial ask. An initial contribution from the Combined Authority for a shared resource has been included in the

2019/20 budget planning process. This will be further refined as more details are developed around the shared resource.

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 Further information on the engagement activities undertaken to inform the development of the strategies seeking endorsement in this paper is provided in the links above.

7.2 Further engagement to inform the development of the City Region Policy Framework and LIIS will commence in early 2019.

8. Recommendations

8.1 That the Combined Authority adopts the following strategies:

- Leeds City Region Digital Framework;
- Leeds City Region Green & Blue Infrastructure Strategy & Delivery Plan;
- Leeds City Region Energy Strategy and Delivery Plan

9. Background Documents

The background documents are referenced in the links above. More detailed papers on each of the strategies have been taken to, and endorsed by, other Panels and the LEP Board.

10. Appendices

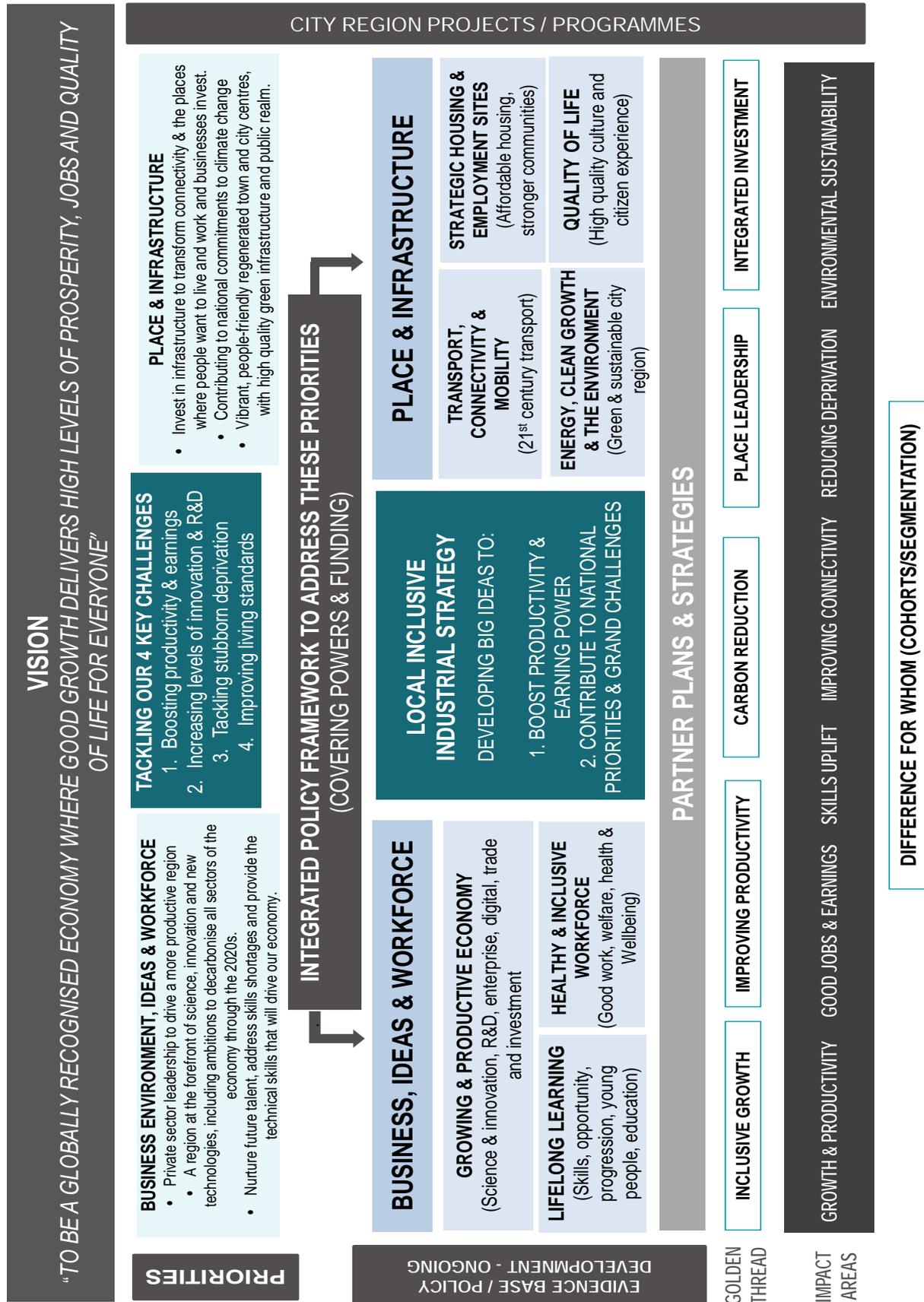
Appendix 1 - Leeds City Region Policy Framework

Appendix 2 - Digital Framework

Appendix 3 - Energy Strategy & Delivery Plan

Appendix 4 – Green & Blue Infrastructure Strategy & Delivery Plan

Appendix 1: Leeds City Region Policy Framework



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Digital for all businesses

Ambition:

All our businesses will be equipped to exploit new digital technologies and take advantage of the opportunities for business growth through data.

Principles:

Our prosperity and success depends on ensuring all our businesses have the opportunities to access and exploit the best digital technology and data to drive innovation and productivity. We will work to stimulate, encourage and enable the business leadership, behaviour changes and cultural shift needed to embrace the 4th industrial revolution.



Digital skills for all

Ambition:

Everyone in the City Region has the opportunity to develop the digital skills they need to flourish in the new digital economy.

Principle: To develop an evolving and joined up pipeline for digital skills to meet the needs of businesses and citizens:

184

- Inclusion / basic skills: Ensure everyone has basic digital capability to ensure no one is excluded from opportunities because of a lack of skills and can operate in a digital society.
- General skills: Look at opportunities for improving outcomes for those who have basic digital skills, but lack the confidence and knowledge to make the most of the digital economy, whether at work or beyond.
- Advanced skills: Ensure LCR develops, attracts and retains the talent needed for higher skilled roles (E.g. coding).

The digital service sector to enable the rest

Ambition:

To become the leading digital services City Region and the best place to start and grow a digital technology business

Principle:

To support our existing business base and grow the ecosystem of digital tech businesses across the City Region, building on existing strengths around Fintech, Data, Artificial Intelligence and Cyber Security.



World class digital infrastructure

Ambition:

To build on existing strengths to further develop a globally competitive digital infrastructure delivered through public, private and community activity.

Principle:

18
The development of the essential underlying enabling infrastructure across the City Region stimulated by activities to upskill business, employees and citizens to exploit and maximise impact, creating an environment which encourages further investment in infrastructure, from businesses and inward investors.



Tech for good

Ambition:

Leeds City Region, open for innovation, globally relevant and proactively embracing and exploiting technology and data to improve peoples lives.

Principles:

We will adopt a people first approach to ' smart city thinking', continuing to develop our approach as a City Region which proactively embraces and exploits technology and data effectively and intelligently to improve outcomes for all citizens across LCR.

To create the culture in which we actively embrace new technologies and use data to solve our biggest problems and create new economic opportunities.

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Leeds City Region Energy Strategy

Executive summary

1. Introduction

This Energy Strategy and delivery plan is the response of City Region partners to the global challenge of providing a secure, affordable energy supply for our residents and businesses, while also lowering carbon emissions to help the UK meet its national (Climate Change Act) and international (Paris Climate Change Agreement) carbon reduction targets.

With its long history of energy generation – historically producing a major share of the UK’s energy including 12% of electricity – Leeds City Region has the knowledge, skills and infrastructure to play a key role in meeting the UK’s future energy requirements.

In this strategy and delivery plan, we set out how we will target investment over the next 10 years to meet our ultimate goal of becoming a zero-carbon energy economy, while also taking advantage of unprecedented change within the global energy sector to grow our region’s economy and improve people’s lives.

2. Where we are now: our strengths and challenges

Given its long history of energy generation, Leeds City Region has a number of distinctive strengths that will enable it to play a leading role in the UK’s transition to a low carbon economy with the right investment.

Our strengths:

38%

reduction in carbon emissions
since 2005

£918m

GVA value of City Region’s
energy sector

7,900

people employed in energy

12%

of UK electricity generated here

31%

of electricity generated here from
low carbon or renewable sources

**Range of support available
to help households and
businesses become more
energy efficient**

The challenges we must address:

- **Continued reliance on fossil fuels** – only **8.8%** of energy consumed currently is provided by renewables
- **Estimated 13% increase in energy demand** over the next 20 years
- **12.5%** of households in the City Region in fuel poverty
- **Ensuring our energy-intensive industries** (including the UK’s largest manufacturing centre) remain productive and globally competitive
- **Keeping energy costs manageable** for businesses and households
- **Reducing carbon emissions** to meet national and international targets

3. Where we want to be: our vision

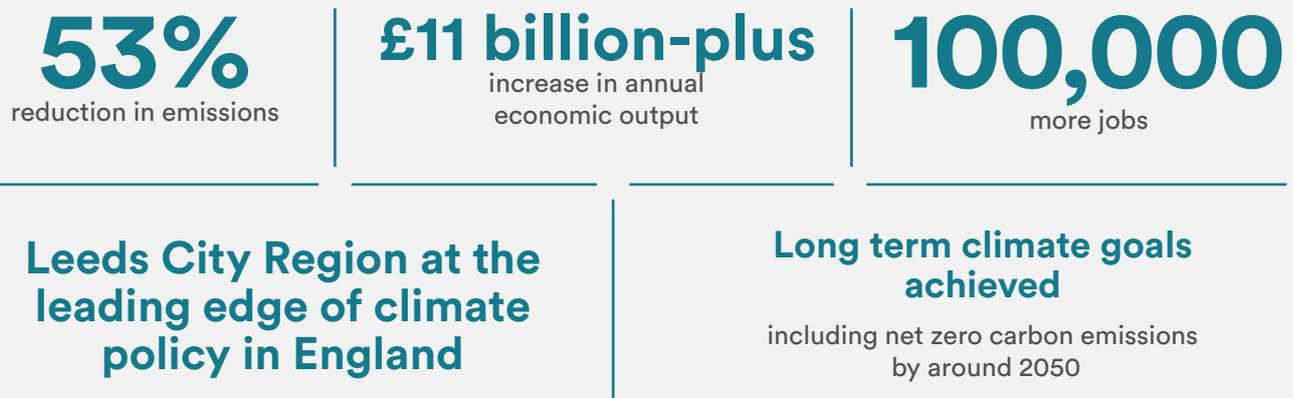
Our ultimate ambition – as set out in our Strategic Economic Plan – is to make Leeds City Region a zero-carbon energy economy.

In this Energy Strategy and its accompanying delivery plan we set out how we will target investment and innovation over the next 10 years and up to 2036 to make our region a world-leading centre for zero-carbon energy.

We will also make the most of our region’s significant natural assets to develop high quality green and blue infrastructure, that will improve our resilience to the effects of climate change, such as increased flooding. Our plans to achieve this are set out in our Green and Blue Infrastructure Strategy and delivery plan.

The major opportunity:

If our region were to reduce carbon emissions in line with the targets set in the Paris Climate Change Agreement by 2036, we would see:



4. How we will get there: our priorities

To achieve our zero-carbon energy economy ambitions we will focus on five priority action areas:



- 1. Resource-efficient businesses and industry** – we will increase support to help companies reduce their energy costs and carbon emissions



- 2. New energy generation** – we will develop an energy network that provides locally generated low-cost, low carbon energy to homes and businesses, including district heat networks and the landmark H21 hydrogen energy project in Leeds



- 3. Energy efficiency and empowering consumers** – we will help households become more energy-efficient, lower their energy bills and reduce fuel poverty



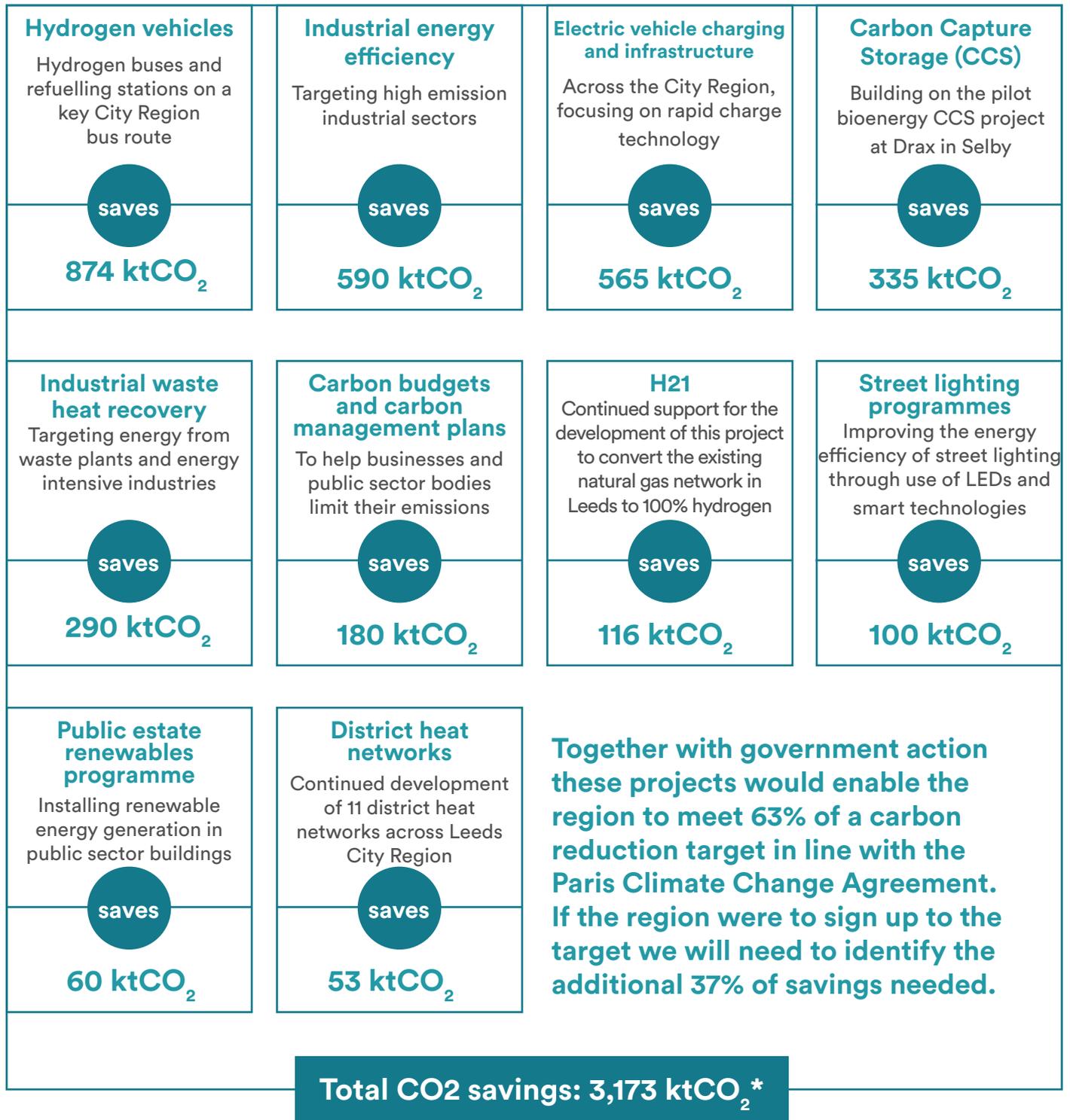
- 4. Smart grid systems integration** – we will develop the technology and infrastructure that enables people and businesses to use energy more intelligently



- 5. Efficient and integrated transport** – we will target investment and influence transport operators to develop a sustainable transport network, including a greater proportion of electric and hydrogen-powered vehicles and increased opportunities for cycling and walking

5. Top 10 projects and initiatives

Our zero carbon energy economy ambition will only be achieved through collective action. These are the key projects partners across Leeds City Region will explore together over the next 10 years, ranked by estimated carbon savings:



* The equivalent of taking 680,000 cars off the road for a year or driving a car to the moon and back over 16,000 times!



6. How the strategy will make a difference

Benefits of delivering this strategy for people and businesses in the region will include:



Increased economic growth and productivity

- Faster economic growth within the energy sector
- Improved ability to attract business investment and talent to the region
- Increased business efficiency and competitiveness



Inclusive growth that benefits everyone

- Lower energy costs for households and businesses
- More skilled jobs related to energy
- Significant reductions in fuel poverty



Reduced carbon emissions

- Reduction in carbon emissions and improved air quality
- Achievement of climate change targets
- Improved energy security with less reliance on imported fuel supplies

Find out more

Read our full Energy Strategy and delivery plan here

westyorks-ca.gov.uk

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Tel: +44 (0) 113 251 7272

[#zerocarbonlcr](https://twitter.com/westyorkshireca)

Leeds City Region Green and Blue Infrastructure Strategy

Executive summary

1. Introduction

Our region's green spaces and waterways are among its defining characteristics. This strategy and delivery plan sets out how we will make the most of the region's amazing natural assets to help our economy prosper, enable people to enjoy a great quality of life, and combat the effects of climate change.

As a result of this strategy we will ensure that everyone in Leeds City Region has easy access to a high-quality, safe and well-used network of footpaths, cycleways, green spaces, waterways and wildlife habitats. This "green and blue infrastructure" will contribute towards a strong economy, a sustainable environment and outstanding quality of life.

The actions we and our partners across the region will deliver in response to this strategy will also contribute to our ultimate goal, set out in our Strategic Economic Plan, of making Leeds City Region a zero carbon energy economy underpinned by high quality green and blue infrastructure.

2. Where we are now: our strengths and challenges

From our three national parks, to our world-class cycling infrastructure, to our canals, which have transported goods from the Industrial Revolution to the present day, our region is known nationally and internationally for the quality of its green and blue infrastructure.

Despite these well-known strengths, we also face a number of challenges in ensuring our natural assets play their full part in supporting economic growth that benefits everyone in our region, and in helping us respond to the consequences of rising global temperatures and the impact it brings.

Our strengths:

- Unique in England in having large urban areas in close proximity to a high-quality natural environment.
- Large number of natural designations ranging from the Yorkshire Dales National Park and Nidderdale Area of Outstanding Beauty to Sites of Special Scientific Interest and Local Wildlife Sites
- Strong green and blue infrastructure sector with interest ranging from large national organisations to small community groups
- Excellent cycling and walking provision, including the country's only segregated cycleway linking two major cities – the 23km Leeds-Bradford cycle superhighway



The challenges we must address:

- Over 63,000 homes and more than 27,000 businesses at some degree of flood risk
- 7,385 homes and 4,698 businesses at a high risk of flooding
- Less than 17 percent of City Region’s blanket bog peatlands are in good condition
- Tree cover lower than the national average of 10%
- Areas of deprivation with poor access to green and blue spaces
- Long-term uncertainty over maintenance of, and funding for, green and blue infrastructure
- Poor integration of green and blue infrastructure into new housing and other developments
- Significant issues related to physical and mental health
- Uncertainty over agricultural and environmental policy and support after Brexit and the effect this will have on businesses across the City Region
- Uncertainty around support for peatland restoration after 2020 once EU funding is withdrawn
- Conventional economic appraisals to make the case for investment in new developments do not take into account green and blue infrastructure
- Size of the green and blue infrastructure sector in terms of economic output and people employed is unknown

3. Where we want to be: our vision

Everybody in the City Region is within easy reach of an outstanding and well used network of green and blue infrastructure that reduces flood risks and supports health, the economy, the environment and a superb quality of life.

4. How we will get there: our priorities

To achieve our ambitions we will focus on seven priority action areas:



1. **Effective water management and flood risk reduction** – developing natural flood management programmes and drainage solutions



2. **Build green and blue infrastructure into physical development and housing** – creating vibrant, healthy and inspiring places where people want to live, work and invest



3. **Enhance green and blue corridors and networks** – integrating green and blue infrastructure within the transport routes that link our towns, cities and rural areas



4. **Improve community access to and enjoyment of green and blue infrastructure** – building healthier, more environmentally sustainable communities



5. **Plant and manage more trees and woodlands** – improving air quality, reducing carbon emissions and creating a greener, even more attractive region



6. **Restore the uplands and manage them sustainably** – improving natural flood management, carbon storage and providing an agricultural system that works for the region



7. **Business growth, jobs, skills and education** – demonstrating the economic benefits of investing in green and blue infrastructure and developing skills and job opportunities in green occupations such as land management, agriculture, forestry, parks and gardens

5. Key projects and actions

These are the key projects and actions that will enable us to meet our priorities:

<p>Leeds City Region natural flood management programme</p> 	<p>Inclusive growth integration</p> 	<p>Network of off-road, safe cycling and walking routes</p> 
<p>Identify and deliver a pipeline of natural flood management projects to reduce the risk and impact of flooding in the region</p>	<p>Embed inclusive growth principles – including green and blue infrastructure and health and wellbeing – into the appraisal of capital development projects</p>	<p>Increase the number of off-road and / or largely safe cycling and walking routes in the City Region</p>
<p>Leeds City Region green and blue infrastructure map</p> 	<p>Green and blue infrastructure funding</p> 	<p>White Rose Forest plan</p> 
<p>Understand the full picture of green and blue infrastructure provision across the region by developing a City Region-wide green and blue infrastructure map</p>	<p>Identify funding for the development and maintenance of green and blue infrastructure (this is a major barrier currently)</p>	<p>Set out how the White Rose Forest in Yorkshire will achieve its share of commitments to creating a Northern Forest</p>
<p>Peatland restoration programme</p> 	<p>Post-Brexit agricultural and environmental policy</p> 	<p>Green and blue infrastructure jobs, skills and GVA assessment</p> 
<p>Map, plan and prioritise peatland restoration projects across the City Region and identify funding beyond 2020</p>	<p>Agree policies and other mechanisms to promote environmental and agricultural benefits in Leeds City Region after Brexit, including through devolution</p>	<p>Better understand the evidence relating to jobs, skills and economic output within the green and blue infrastructure sector</p>
<p>Green and blue infrastructure skills programme</p> 	<p>Consistency of green and blue infrastructure planning policy</p> 	<p>Green and blue infrastructure resource targeting</p> 
<p>Create opportunities for people to develop skills relevant to green and blue infrastructure-related jobs</p>	<p>Explore how such policies could be more consistent across the City Region</p>	<p>Develop mechanisms to focus green and blue infrastructure investment in the areas of greatest need</p>

6. How the strategy will make a difference

Benefits of delivering this strategy for people and businesses in the region will include:



- Increased economic growth and productivity
- Reduced risk and economic impact of flooding across the City Region
- Greener, more attractive places that attract investment and talent
- A healthier, more productive workforce
- Increased property values

Inclusive growth that benefits everyone



- Improved health and wellbeing among residents
- Greener, more attractive places to live in
- Increased physical activity leading to lower obesity levels and fewer serious diseases
- More opportunities to bring communities together

Reduced carbon emissions



- Reduced carbon emissions and improved carbon storage potential
- Improved air and water quality

Find out more

Read our full Energy Strategy and delivery plan here

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Report to: West Yorkshire Combined Authority

Date: 13 December 2018

Subject: **Statement Of Common Ground And Strategic Planning Review**

Director: Alan Reiss, Director of Policy, Strategy and Communications

Author(s): Michael Long

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 seek endorsement from the Combined Authority for the Statement of Common Ground and an updated version of the Leeds City Region Strategic Planning Review recommendations (originally endorsed by West Yorkshire Combined Authority in September 2015).
- 1.2 Subject to any changes, recommend that the Combined Authority approve the Leeds City Region Statement of Common Ground (SoCG) and Planning Review.

2. Information

West Yorkshire Combined Authority's Role in Planning

- 2.1 The West Yorkshire Combined Authority is not a strategic or local planning authority, it therefore has no statutory responsibilities relating to planning. However the Leeds City Region Local Planning Authorities are committed to partnership working to ensure a joined-up approach to spatial planning including tackling cross-boundary issues and agreeing strategic priorities. The

West Yorkshire Combined Authority supports and facilitates some of this activity.

Duty to Co-operate (DtC)

- 2.2 The DtC, introduced through the Localism Act 2011, was designed to reflect that strategic cross-boundary planning matters can be most effectively tackled when local planning authorities work together. This legal test, requiring local authorities to engage constructively, actively and on an ongoing basis with one another to effectively deal with strategic, cross-boundary matters, is now a fundamental part of the plan-making process.

The Leeds City Region Statement of Common Ground (SoCG)

- 2.3 The SoCG will play a significant role in plan-making in satisfying the DtC for planning authorities.
- 2.4 Ministry of Housing, Communities and Local Government (MHCLG) have set out in the updated National Planning Policy Framework (NPPF) that all local planning authorities are required to produce a SoCG.
- 2.5 MHCLG requires that a SoCG has to be produced to support more effective joint working where planning issues need to be addressed by more than one local planning authority. The objectives of the policy are to:
- a) Increase certainty and transparency, earlier on in the plan-making process, on where effective co-operation is and is not happening;
 - b) encourage all local planning authorities, regardless of their stage in plan-making, to co-operate effectively and seek agreement on strategic cross-boundary matters, including planning for the wider area's housing need; and
 - c) help local planning authorities demonstrate evidence of co-operation by setting clearer and more consistent expectations as to how co-operation in plan-making should be approached and documented.
- 2.6 The Leeds City Region Local Planning Authorities have agreed to sign the SoCG. It is recommended that the Combined Authority should be an additional signatory to the SoCG as a body who have a role in the matters covered in the SoCG, and with whom a local planning authority needs to cooperate in order to plan for these matters. The SoCG regulations also permit that Local Enterprise Partnership (LEP) can be additional signatories. A separate paper will be presented to the LEP board to consider if they should also be an additional signatory.
- 2.7 The SoCG has been considered by the Place Panel members and recommended that it be approved by the Combined Authority.

The Leeds City Region Strategic Planning Review

- 2.8 The Combined Authority previously requested that options on the potential roles and requirements of both the Combined Authority and the LEP in respect of the Duty to Cooperate and strategic planning. The Strategic Planning Review was undertaken in response to this request.
- 2.9 The Planning Review concluded in September 2015, the output of which was a set of agreed recommendations. These recommendations were endorsed by Planning Portfolios Board and approved by the Combined Authority.
- 2.10 The recommendations agreed in 2015 have now been updated to reflect changing governance arrangements and to reflect progress made relating to cross-boundary working since 2015. The changes have been considered by Place Panel and endorsed by Leeds City Region Heads of Planning and Directors of Development.

Planning Review Key Changes

- 2.11 There are now 35 recommendations, reduced from 36 that were approved by the Combined Authority in September 2015. A version showing the tracked changes is attached at Appendix 2. The following recommendations have been removed:
- Further consideration be given with local authority partners to the opportunities and benefits of more formalised arrangements e.g. West Yorkshire Combined Authority becoming a statutory consultee on major planning applications. – **This is no longer being progressed**
 - West Yorkshire Combined Authority officers will ensure internal processes are in place to coordinate and align planning application responses across economic and transport, as required. – **This is now established with joint planning application and local plan consultation responses**
 - Keep under review the Leeds City Region Interim Strategy Statement (2011). – **this has been superseded by the Statement of Common Ground / Statement of Cooperation work**
- 2.12 Three recommendations have been amended significantly (relating to the Statement of Common Ground and Infrastructure Investment Framework):
- 2) The West Yorkshire Combined Authority and the LEP to apply the high level principles of the emerging Statement of Common Ground and Statement of Cooperation in preparing strategic plans.
 - 28) A commitment by all partner councils to the use of the Leeds City Region Infrastructure Map (online tool) and to keep the data layers up to date, to be coordinated by the West Yorkshire Combined Authority. This

tool illustrates the alignment between Local Plan employment and housing growth opportunities and committed infrastructure investments.

- 29) To continue to prepare sub-regional, non-statutory, joint evidence and strategies that reflect emerging local plans across the city region (for example the Leeds City Region Connectivity Study and joint work on infrastructure planning).

2.13 Two recommendations have been added (in response to the Heads of Planning feedback):

- 30) The West Yorkshire Combined Authority will work with partner councils to ensure alignment of Local Plan spatial priorities with strategic spatial priorities and strategic infrastructure investment decisions.
- 31) The West Yorkshire Combined Authority will review the existing processes in place including the Assurance Framework (*as part of the forthcoming Assurance Framework review expected to be completed in March 2019*) to identify issues and opportunities in achieving greater alignment between development management approvals and the funding of strategic transport infrastructure (including consideration of the timely funding of required infrastructure).

2.14 Leeds City Region Strategic Planning Review has been considered by the Place Panel, which recommends that it be approved by the Combined Authority.

3. Inclusive Growth Implications

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

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 No external public consultations have been undertaken. Leeds City Region Partner Councils have been consulted as part of the drafting of this document.

8. Recommendations

- 8.1 That the Combined Authority notes the content of the report.
- 8.2 That the Combined Authority endorses and signs the Leeds City Region Statement of Common Ground (SoCG) as an additional signatory.
- 8.3 That the Combined Authority endorses and approves the updated Leeds City Region Strategic Planning Review.

9. Background Documents

There are no background documents referenced in this report.

10. Appendices

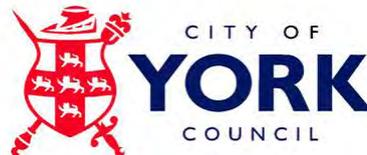
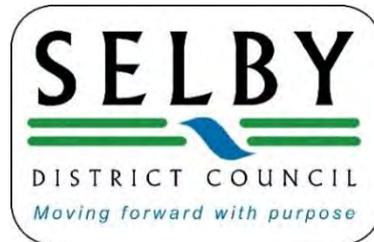
Appendix 1 – The Leeds City Region Statement of Common Ground

Appendix 2 – Leeds City Region Strategic Planning Review
Recommendations Including Tracked Changes (Updated 2018)

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Leeds City Region Statement of Common Ground

August 2018



1.0 Introduction

- 1.1 The Leeds City Region partner councils have prepared this Statement of Common Ground in response to the requirement as set out in the revised National Planning Policy Framework (NPPF) published on 24 July 2018.
- 1.2 The approach set out in this Statement of Common Ground is in accordance with the requirements within the Government's Planning Practice Guidance.

2.0 Geographical Area

- 2.1 It has been jointly determined that this Statement of Common Ground will cover the geographical area of the Leeds City Region. The justification for the choice of this geography includes:
 - The existence of governance frameworks which support the Leeds City Region, including the Leeds City Region Local Enterprise Partnership (LEP), West Yorkshire Combined Authority and associated Panels.
 - The existence of a comprehensive evidence base and a shared policy position on economic growth as set out in the Strategic Economic Plan (SEP) based on a Leeds City Region geography.
 - The existence of well-established, common approaches and tools used by authority partners in the Leeds City Region to address duty-to-cooperate requirements, (as set out in the Leeds City Region Statement of Cooperation for Local Planning (Revised 2018)).
- 2.2 The constituent members of the Leeds City Region are 'parties' responsible for developing and maintaining the Statement of Common Ground.

Parties

Barnsley Metropolitan Borough Council
City of Bradford Metropolitan District Council
The Borough Council of Calderdale
Craven District Council
Harrogate Borough Council
The Council of the Borough of Kirklees
Leeds City Council
Selby District Council
The Council of the City of Wakefield
City of York Council
West Yorkshire Combined Authority
North Yorkshire County Council

- 4.2 When updating this Statement the adoption of neighbouring, or overlapping, statements of common ground covering other geographical areas will be reflected.

5.0 Leeds City Region Joint Working on Planning Matters

- 5.1 As a polycentric city region there are centres of different economic strength in the Leeds City Region including Barnsley, Bradford, Halifax, Harrogate, Huddersfield, Selby, Skipton, Wakefield and York which surround the economic core of Leeds.
- 5.2 Interdependencies and commuting movements are complex and have resulted in a strong history of collaboration on spatial planning issues across the Leeds City Region. The polycentricity of the sub region has driven patterns of growth and our collective approach to planning. Our approach is to prepare complementary local plans that collectively reflect a shared ambition for inclusive and sustainable growth.
- 5.3 An interactive infrastructure map has been prepared in partnership with all Leeds City Region partner councils for the purposes of sharing spatial information on infrastructure and planned growth. The map provides a collective position on current (or emerging) local plan growth and spatial priority areas. It can also be used to identify / illustrate cross boundary matters and to consider infrastructure needs and inter-relationships between infrastructure types.
- 5.4 Collaboration on planning matters results in better planning outcomes and is undertaken between partner councils in the Leeds City Region for a number of reasons, including:
- The main functional trends and drivers for change that affect places operate at a spatial scale above local authority level. Housing markets, commercial property markets, labour markets, business agglomeration effects and supply chains, travel to work areas, utilities networks and water catchments for example do not stop at local authority boundaries. In the context of the Duty to Cooperate, understanding these greater-than-local trends and engaging with partners to identify and resolve issues is essential.
 - There is a collective interest across partner councils in the success of the most strategically important places of growth, regeneration and change, including growth corridors, that will drive the city region's economy. Local policy development cannot be undertaken in isolation, partner councils within the Leeds City Region are actively engaged in identifying and promoting / delivering strategic priorities.
 - Planning policy at a local authority level relies, to some extent, on an evidence base and technical work developed across local authority boundaries because the matters being considered have cross boundary implications. Examples of this include economic forecasts, population and household projections, analysis of opportunities and constraints relating to infrastructure, supply and demand for minerals and data analysis on waste arisings. All of these areas of policy will benefit from technical work based on a geography that is wider than the local authority level.

6.0 Planning for Housing in the Leeds City Region

- 6.1 The unique geography of the Leeds City Region determines that the partner councils have a close, but not dependent, relationship on each other for accommodating housing need.
- 6.2 The existing and emerging suite of Local Plans set out the approach to meeting local housing need. In development of these plans partner councils consider what the most sustainable local patterns of development are, undertaking local green belt reviews where necessary.
- 6.3 There are specific settlements and areas of open countryside where cross-boundary cooperation on the most effective and sustainable patterns of development are required. These areas are an ongoing focus for detailed Duty to Cooperate work on a bilateral basis between partner councils.
- 6.4 With regard to housing need all Leeds City Region Local Planning Authorities are planning for their own need within their own Local Authority boundaries. For the avoidance of doubt, based on current plan targets (some draft) there is no housing shortfall or distribution of unmet need required.
- 6.5 Collective housing need for the Leeds City Region:
 - 11,314 dwellings per annum (dpa) (local assessment of housing need as at September 2017)
 - 10,777 dpa (national assessment of housing need – standard formula as at September 2017)

Cumulative housing targets for the Leeds City Region:

- 13,611 dpa (Local Plan targets at March 2018 – some draft)

Refer to Appendix 1 for full local authority breakdown of housing need figures and targets.

7.0 Matters on Which Parties Agree

- 7.1 The following have been identified as matters on which the parties agree relating to the strategic matters of Inclusive Growth, Housing, Green belt, Employment, Transport, Minerals and Waste and Green and Blue Infrastructure.

Inclusive Growth

Parties agree to:

- 1) maintain progress on local plans in line with indicative timetables to ensure we are collectively and proactively planning for inclusive / sustainable growth.
- 2) work towards alignment of local plan timescales recognising the benefits of alignment for cross-boundary working.
- 3) maintain and strengthen the existing robust and proportionate evidence base to give a clear understanding of economic forecasts, housing needs, infrastructure capacity constraints and opportunities and environmental constraints and characteristics.
- 4) take account of the Leeds City Region and York, North Yorkshire and East Riding Strategic Economic Plans and the emerging Leeds City Region Local Inclusive Industrial Strategy and supporting Policy Framework in preparing local plans.
- 5) take account of economic forecasts from the Regional Econometric Model (REM) in undertaking modelling for local plans.
- 6) ensure that local plans drive transformation of economic, environmental and social conditions in the seven urban growth centres of Bradford, Halifax, Huddersfield, Leeds (including the South Bank), Wakefield, Barnsley and York, (as Spatial Priority Areas (SPAs) identified in the Leeds City Region SEP) including spreading the benefits of continued growth of the Leeds economy as the City Region's economic centre.

Housing

Parties agree to:

- 7) plan for 13,000 additional homes per year in the Leeds City Region up until 2031 as stated in the Leeds City Region SEP.
- 8) include the calculation of housing need figures based upon the Government's finalised methodology for calculating local housing need¹, taking account of economic uplift / market conditions as necessary in preparation of local plans.
- 9) to plan for their own need within their own Local Authority boundaries taking account of housing market geographies as detailed in the shared evidence report 'Leeds City Region Housing Market Areas' (CURDS July 2016), as updated by local strategic housing market assessments.
- 10) use the plan making system to maximise delivery of affordable housing.

¹ with the exception of local planning authorities submitting local plans for examination prior to 24th January 2019 (i.e. the revised NPPF transitional period).

- 11) explore the opportunity to improve the quality of new housing through development plan policy reflecting an ambition to drive consistent, high quality design standards across the Leeds City Region.
- 12) ensure that local plans drive housing delivery in the six housing growth areas of Bradford-Shipley Canal Road corridor, Castleford Growth Zone, East Leeds Extension, North Kirklees Growth Zone and Wakefield City Fields, plus York Central (as SPAs identified in the Leeds City Region SEP).

Green belt

Parties agree to:

- 13) undertake local reviews of green belt as required in preparing local plans.

Employment

Parties agree to:

- 14) plan for employment growth of 35,700 net additional jobs above baseline job growth projections to 2036 in the Leeds City Region as a shared ambition identified in the Leeds City Region SEP.
- 15) ensure that local plans drive employment growth in the 16 employment growth areas as identified in the Leeds City Region SEP. These include mixed use sites and the Enterprise Zones (EZs) of York, Leeds (Phase 1 Leeds City Region EZ) and the 10 sites across the five West Yorkshire districts which are located along key arterial routes of M1, M62 and M606 corridors (Phase 2 Leeds City Region EZ).

Transport

Parties agree to:

- 16) support the delivery of objectives and targets in the emerging Transport for the North Strategic Transport Plan; West Yorkshire Transport Strategy 2040; North Yorkshire Local Transport Plan (2016-2045), Leeds City Region HS2 Growth Strategy (2018), West Yorkshire Low Emissions Strategy (2016 – 2021) emerging Sheffield City Region Transport Strategy (2018-2040), emerging West Yorkshire Rail Strategy (2018) and emerging Leeds City Region Connectivity Strategy.
- 17) support the safeguarding and delivery of critical strategic routes and collaborate across boundaries (including beyond the Leeds City Region) to make best use of inter-regional road, rail and water transport networks including for the purposes of freight movements and to enable use of the most sustainable modes.
- 18) plan for significant transport infrastructure in the Leeds City Region.
- 19) align funding opportunities to deliver strategic growth objectives to ensure that development plans are deliverable; with a particular focus on SPAs as identified in the Leeds City Region SEP and where significant growth is identified in emerging local plans.

- 20) maintain support for strategic transport infrastructure that directly underpins housing and employment growth, particularly where this enables allocations to be fully developed contributing to the supply of new homes and/or jobs.

Minerals and Waste

Parties agree to:

- 21) sharing data / information both within and beyond the Leeds City Region on minerals and waste matters and to maintaining a shared, proportional evidence base including keeping up-to-date the West Yorkshire Waste Model (for relevant partner councils), undertaking regular waste capacity gap analysis and jointly preparing and aligning Local Aggregate Assessments (LAAs) on an annual basis.
- 22) review a joint position on safeguarding of wharves and rail sidings.

Green and Blue Infrastructure:

Parties agree to:

- 23) reflect the commitments in the emerging Leeds City Region Green and Blue Infrastructure Strategy and Delivery Plan in local plans, supporting shared ambitions to improve green and blue infrastructure (particularly in areas of poor health and deprivation), to plan for water management on a catchment wide basis, including promoting natural flood management and to address the challenges presented by climate change.

8.0 Signatures

SIGNED by

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for and on behalf of the City of
Bradford Metropolitan District
Council

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Signature

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Title

SIGNED by

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for and on behalf of the Borough
Council of Calderdale

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Signature

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for and on behalf of the Council of
the Borough of Kirklees

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for and on behalf of Leeds City
Council

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for and on behalf of the Council of
the City of Wakefield

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for and on behalf of City of York
Council

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**for and on behalf Barnsley
Metropolitan Borough Council**

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**for and on behalf Harrogate
Borough Council**

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**for and on behalf Selby District
Council**

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**for and on behalf Craven District
Council**

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SIGNED by

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**for and on behalf of North Yorkshire
County Council**

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Signature

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Additional Signatories

SIGNED by

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**for and on behalf of West Yorkshire
Combined Authority**

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Signature

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Title

Appendix 1 – Leeds City Region Partner Councils Housing Requirements (as of March 2018)

Authority	Plan Requirement / Housing Need (for illustration purposes only - July 2017)	Local Plan Requirement (dwellings per annum) (March 2018 Update)	Notes on March 2018 Local Plan Requirement Update	Local assessment of housing need, based on most recent publically available document (dwellings per annum) (source: DCLG, 14.9.17)	Indicative assessment of housing need based on proposed formula, 2016 to 2026 (dwellings per annum) (source: DCLG, 14.9.17)
Barnsley	1,100	1,134	Local Plan Submission (Stage 4 Work arising from Inspector's interim findings) 21,546 over the period 2014-2033	967 - 1389	898
Bradford	2,476	2,476	Core Strategy Adopted (July 2017) 42,100 over period 2013-2030	2,200	1,663
Calderdale	1,038	1,125	Local Plan Initial Draft - Consultation (July 2017) (946 dpa Annual Target excludes shortfall). Period 2017-2032	946 – 1,169	840
Craven	2012-2032 – 256 pa (5,120 over period)	257	Local Plan Publication Draft (Jan 2018) - 257 is the full Craven District, 230 is the requirement for the Plan area (excl. YDNP) Period 2012-2032	214	151

Harrogate	Uplifted to 610	669	Local Plan Publication Consultation (Jan 2018) 14,049 over period 2014-2035	669	395
Kirklees	1,630 (2013-2031)	1,730	Publication Draft Local Plan (Nov 2016) 1,730 houses required over period 2013-2031 (18 years, 31,140 in total). Local Plan allocates 21,324 over the plan period, after taking into account existing permissions, windfall etc.	1,730	1,707
Leeds	If the figures are reduced to 55,000 from 70,000 the change would be: 2,891 to 2016/17 then 3,700 thereafter (to 2028)	3,247	Core Strategy Selective Review - Consultation (Feb 2018): 51,952, Removes phasing, plan period 2017-2033.	3,660	2,649
Selby	450	450	Selby Local Plan (Oct 2013). 2015 SHMA states a housing need of 431, but an update to this is currently being updated	450	371
Wakefield	1,600 (plus 320 a year 2008-17)	1,600	No Change	1,524	1,033

York	841	923	Local Plan Publication - Consultation (Feb 2018): (867 dpa Annual Target excludes shortfall of 56 dpa). Period 2017-2033	867	1,070
Total	12,902 (excl. Wakefield Growth Point, assumes 2,891 for Leeds)	13,611		11,314	10,777

Leeds City Region SEP Scenario	10,239 – 12,948 (mid-point 12,038)	Based on economic growth scenario Jobs-led (REM) EA2 (see paragraph 3.8). This scenario provides a useful starting point in establishing the general scale of growth across the City Region; however the economic scenario for the City Region does not constitute Objectively Assessed Need.
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All information correct at time of print (November 18)

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Leeds City Region Planning Review Recommendations (agreed September 2015 – revised draft June 2018)

WORKSTREAM	ISSUE	DRAFT RECOMMENDATIONS
<p>1. The West Yorkshire Combined Authority / Leeds City Region Enterprise Partnership (the LEP) Compliance with the Duty</p> <p align="center">219</p>	<p>The Duty applies in principle to the West Yorkshire Combined Authority in preparation of strategic plans for example the Transport Strategy, Strategic Economic Plan (SEP), emerging Rail Development Strategy and Local Inclusive Industrial Strategy.</p>	<ol style="list-style-type: none"> 1. The West Yorkshire Combined Authority and the LEP to continue to follow current guidance in preparation of strategic plans (e.g. SEP and West Yorkshire Transport Strategy) – no change to current arrangements. 2. The West Yorkshire Combined Authority and the LEP to apply the high level principles of the emerging Statement of Common Ground and Statement of Cooperation in preparing strategic plans. 3. Items to be included on the agenda of the Combined Authority Place Panel (Leeds City Region political representation) to provide updates on key areas of activity relating to strategic transport activity as required. 4. Transport Committee and North Yorkshire Planning and Transport Members Board to be provided with key updates on relevant strategic activity of the West Yorkshire Combined Authority Place Panel to ensure cross-policy links are identified. 5. Joint workshops with both planning and transport portfolios holders in attendance will be undertaken as required on specific topics.
<p>2. The West Yorkshire Combined Authority / the LEP Involvement with Planning Applications</p>	<p>The West Yorkshire Combined Authority and the LEP are not statutory consultees on planning applications but are prescribed bodies. These recommendations clarify the role of the West Yorkshire Combined Authority and the LEP in providing consultation responses on both local and strategic applications on transport matters and economic development matters.</p>	<ol style="list-style-type: none"> 6. All applications to be determined by Local Planning Authority (LPA) or planning inspectorate - no change to current arrangements proposed. 7. West Yorkshire Combined Authority to continue to provide consultation responses on planning applications relating to transport matters to West Yorkshire partner councils; responses will provide comments and practical guidance (including recommendations relating to planning gain) to ensure that development proposals are aligned and contribute to meeting the objectives of the West Yorkshire Transport Strategy and LPAs transport policies. Responses to other Leeds City Region authorities will be provided where the development would have an impact on West Yorkshire. A review of associated processes and how to prioritise this activity to be undertaken by the Combined Authority. 8. The West Yorkshire Combined Authority to provide consultation responses on planning applications relating to economic development matters (all Leeds City

		<p>Region authorities) - providing an assessment of alignment with the SEP¹, West Yorkshire Combined Authority and the LEP investments or policy positions. This will only be to LPAs and on an exceptions basis such as by the request of LPAs on applications of sub-regional significance and / or where they relate to specific schemes which the West Yorkshire Combined Authority / the LEP have an interest; for example schemes which are part of the Leeds City Region project pipeline for investment.</p> <p>9. The LEP will not provide consultation responses or letters of support on planning applications in order to maintain independence from the development management process and ensure there are no conflicts of interest. As noted in the recommendation above, the Work CA will provide responses in relation to the SEP as the accountable body for the LEP.</p>
<p>3. The West Yorkshire Combined Authority / the LEP input into Local Plans</p> <p>220</p>	<p>The West Yorkshire Combined Authority and the LEP are not statutory consultees on local plans but are prescribed bodies. These recommendations clarify the role of the West Yorkshire Combined Authority / the LEP in providing consultation responses on both transport and economic development matters relating to draft development plans.</p>	<p>10. The West Yorkshire Combined Authority to engage in local plan preparation of all Leeds City Region Local Planning Authorities (both informal, early engagement and at publication draft stages) on both transport and economic development matters.</p> <p>11. The LEP will not engage in local plan preparation to maintain independence from the local planning process, and ensure there are no conflicts of interest. The West Yorkshire Combined Authority will provide responses in relation to the SEP as the accountable body for the LEP.</p> <p>12. On both economic development and transport matters a template for self-assessment of plan alignment with the SEP and other relevant strategic plans (for example the West Yorkshire Transport Strategy) will be developed for completion by the LPA.</p> <p>13. Following receipt of a self-assessment template and at the request of the LPA a formal written response would be provided from the West Yorkshire Combined Authority on both transport and economic development matters.</p> <p>14. The West Yorkshire Combined Authority to continue to provide technical assistance to LPAs (West Yorkshire and other LCR authorities if required) in relation to accessibility assessments for site allocations subject to resources.</p>

¹ E.g. Alignment with strategic priority locations: (Urban Growth Centres, Strategic Housing Growth Areas, and Strategic Employment Growth Areas) and priority sectors: (innovative manufacturing, financial and professional services, health and life sciences, low carbon and environmental industries, digital and creative industries and logistics).

<p>4. Enhanced joint working arrangements</p> <p style="text-align: center;">221</p>	<p>There is a high degree of cooperation taking place on strategic planning matters between Leeds City Region partner councils (and with neighbouring authorities) and there are some examples of resource-sharing and joint services within the Leeds City Region. There may be opportunities to build on this foundation to either decrease risks, improve services or to reduce costs.</p>	<p>15. The West Yorkshire Combined Authority / the LEP to liaise with neighbouring LEP areas on cross boundary issues of strategic importance.</p> <p><u>Joint-working:</u></p> <p>16. Explore the potential for West Yorkshire / Leeds City Region wide procurement frameworks to support cost savings and efficiencies (e.g. framework relating to commissioning of local evidence, such as for retail, viability and housing market area assessments).</p> <p>17. LPAs to notify each other on applications of strategic, cross-boundary significance, with the process and requirements to be agreed and set out in the revised LCR Statement of Cooperation.</p> <p>18. West Yorkshire partner councils to continue to work to support the development and implementation of the West Yorkshire Transport Strategy.</p> <p>19. West Yorkshire partner councils work towards a common methodology for accessibility assessments on transport, which would form an appendix to the Transport Strategy.</p> <p>20. Leeds City Region partner councils to use the Health Impact Checklist where it meets local need, with a longer-term ambition to develop a full Health Impact Assessment framework (HIA) that is fit for purpose (relating to development management).</p> <p>21. West Yorkshire authorities explore the potential opportunities and efficiencies of preparing Joint Waste and Minerals Plans.</p> <p>22. Leeds City Region partner councils continue to prepare joint evidence on housing requirements and housing markets, and explore the opportunity to prepare joint strategic housing market assessments where appropriate.</p> <p>23. Leeds City Region partner councils explore opportunities for enhanced joint working on flood risk and Sustainable Urban Drainage.</p> <p>24. Leeds City Region partner councils and the West Yorkshire Combine Authority to consider further opportunities for preparing joint evidence to support local plans and potentially inform strategic policy positions, taking advantage of cost-efficiencies and aligning evidence. Planning policy areas that have been initially suggested include waste and minerals, green infrastructure, energy and transport.</p>
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		<p><u>Resource Sharing:</u></p> <p>25. West Yorkshire partner councils to continue to implement the partnership agreement relating to sharing of resources for planning applications and appeals on minerals and waste matters.</p> <p>26. West Yorkshire partner councils to continue to implement joint working arrangements relating to technical planning services in the Leeds City Region, an MOU is in place with the potential to offer support and operational capability to ensure service resilience particularly during busy periods.</p> <p>27. Continue to jointly fund major cross boundary studies and evidence gathering, where appropriate.</p>
<p>5. Strategic Planning Policy</p> <p>222</p>	<p>The current Leeds City Region approach is to build a shared evidence base and where necessary develop joint (non-statutory) plans and strategies. (The exception to this is the Transport Strategy which is a statutory plan for WY. York and North Yorkshire also have statutory Local Transport Plans). Approaches continue to emerge throughout the UK to address gaps in strategic planning, for example Joint Local Plans and Sub-regional Spatial Frameworks.</p>	<p>28. A commitment by all partner councils to the use of the Leeds City Region Infrastructure Map (online tool) and to keep the data layers up to date, to be coordinated by the West Yorkshire Combined Authority. This tool illustrates the alignment between Local Plan employment and housing growth opportunities and committed infrastructure investments.</p> <p>29. To continue to prepare sub-regional, non-statutory, joint evidence and strategies that reflect emerging local plans across the city region (for example the Leeds City Region Connectivity Study and joint work on infrastructure planning).</p> <p>30. The West Yorkshire Combined Authority will work with partner councils to ensure alignment of Local Plan spatial priorities with strategic spatial priorities and strategic infrastructure investment decisions.</p> <p>31. The West Yorkshire Combined Authority will review the existing processes in place including the Assurance Framework (<i>as part of the forthcoming Assurance Framework review expected to be completed in March 2019</i>) to identify issues and opportunities in achieving greater alignment between development management approvals and the funding of strategic transport infrastructure (including consideration of the timely funding of required infrastructure).</p>
<p>6. Governance and Communication</p>	<p>Consider potential requirements within existing and emerging governance arrangements.</p>	<p>32. The 10 partner councils in the Leeds City Region and North Yorkshire County Council are local planning authorities (LPAs). They are therefore empowered by law to exercise statutory planning functions. The West Yorkshire Combined Authority is not an LPA and it is not considered that there is any need to change these current arrangements at this time. Any further consideration of this position will be taken forward in the course of devolution discussions.</p>

		<p>33. The West Yorkshire Combined Authority is the accountable body for the LEP. The West Yorkshire Combined Authority and / or LEP Board as appropriate, should continue to be the decision-making bodies with regard to non-statutory, joint policy / evidence on strategic planning matters.</p> <p>34. The Place Panel is the advisory panel to the West Yorkshire Combined Authority and the LEP with regard to strategic planning and transport infrastructure matters.</p> <p>35. Arrangements should continue to be made to ensure, and seek to enhance where appropriate, private sector input to strategic planning activities at both local and sub-regional levels.</p>
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NB. Several recommendations set out above may be reviewed in the course of further devolution discussions with local partners and Government.

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Report to: West Yorkshire Combined Authority

Date: 13 December 2018

Subject: **Draft business plan 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 outline directorate business plans and the proposed draft revenue and capital budget for 2019/20.

2. Information

- 2.1 The Combined Authority approved a medium term financial strategy including the detailed 2018/19 budget at its meeting in February. Recognising the challenging financial position faced by its local authority partners, the strategy included a commitment to reduce the transport levy by £1 million each year and to reach a balanced position by 2020/21 that does not require the use of reserves.
- 2.2 Work has been progressing to update and refresh the business plan for the Combined Authority, maintaining the focus on the three big objectives agreed for the current year corporate plan: Productivity, inclusive growth and a 21st century transport system. A number of actions addressing a possible fourth objective of carbon reduction have also been identified. All teams have been required to demonstrate how expenditure delivers against the objectives and

priorities of the Combined Authority and its partners, demonstrating efficiency and effectiveness and value for money for the services delivered.

- 2.3 The Combined Authority recognises the difficult funding position facing local authorities as they await the outcome of the fair funding review and comprehensive spending review in 2021. This is at a time when their funding continues to be cut and demand for their services is increasing. In the same way that local authorities are focussed on cost reduction, efficiencies and income generation the Combined Authority has also sought to ensure in developing its budget each year that it too is reviewing its activities and finding ways to deliver its services more efficiently. It also seeks to maximise third party income, such as advertising revenue and sponsorship for inward investment events.
- 2.4 In putting together budget submissions teams are tasked with minimising costs and maximising income. Senior manager challenge sessions are used to scrutinise the funding requirements put forward, with this information then informing discussions with members on options to present a balanced budget. These actions have resulted in a range of efficiencies and savings each year that have contributed to the Combined Authority being able to reduce the transport levy and achieve more for less.
- 2.5 Actions taken include the reduction in the cost of providing bus services by 50% in real terms over the last ten years, as a result of smarter procurement and a continued focus on value for money. The commitment made in setting the 2019/20 budget includes a further 20% reduction in the cost of bus tendered services over a three year period. The Combined Authority has also reduced costs by three quarters of a million pounds through efficiencies and staff savings arising from adopting new technology including smart ticketing and moving customers to on-line services. Further savings of over a third of a million pounds per year have been made in the cost of managing the Combined Authority's facilities through better contract management and the introduction of an improved more efficient CCTV system.
- 2.6 New teams that have been established have been benchmarked against other authorities and best practice. For example the Delivery directorate was put together in 2016 and the Portfolio Management Office that oversees project delivery is operating on a ratio of only 1 person to every 15 projects, compared to the industry recommendation of 1 to every 4. Other teams have achieved reductions in headcount or an increase in output for the same resource.
- 2.7 **Appendix 1** sets out the draft business plan for each directorate, demonstrating how they deliver against the organisation's priorities and objectives and, at a summary level, the resources required to do so.
- 2.8 **Appendix 2** sets out the draft proposed revenue budget for 2019/20. The final budget for 2019/20 will be approved at the Combined Authority meeting of 14 February to enable the transport levy to be set in accordance with legislative requirements.

- 2.9 The latest position for 2018/19 is considered in agenda item 12 and confirms that the previously agreed position of a use of reserves of £1.4 million looks likely to be achieved. The latest draft budget for 2019/20 shows a required use of reserves of £1.8 million, against the target agreed in February of £1.2 million. This position has been developed through the Member Budget Working Group, and with input from the Overview and Scrutiny Committee and overview from the Chief Executives. There have been a number of changes to the figures since the strategy was agreed in February and some significant budget pressures identified. In order to reach the current position a number of reductions and cuts have been included in the draft position and some reprioritisation to enable an allowance for emerging pressures. These are set out in more detail in the following paragraphs which consider the key drivers and assumptions for the main budget lines. Further work is underway to reduce the funding gap down to the previously agreed use of reserves of £1.2 million.
- 2.10 **Bus strategy** – earlier this year the Transport Committee 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. It also approved for consultation revised policy guidelines in respect of home to school services. At the February 2018 budget meeting a 20% savings target was 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 and there is an expectation that the targeted savings for 2019/20 will be exceeded by some £500k. This has been possible as a result of retendering some schools services and reshaping of the batch renewals retendered in 2018/19.
- 2.11 **Bus franchising** - discussions regarding bus partnership and alternative models including franchising are continuing. If franchising were to be identified as the preferred way forward then there would be a need to invest in the initial work required to produce an outline business case, including external legal and financial consultancy work. At this stage no costs have been included in the budget to progress this detailed feasibility work although liaison will continue other combined authorities who are progressing this agenda.
- 2.12 **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. In order to mitigate the potential volatility of these costs arrangements with the major bus operators are in place. 2019/20 is the third and final year of the current arrangement and indications at this stage are that there is a fall in patronage which may result in reviewing the thresholds of the agreement to be applied in 2019/20.

- 2.13 Subsequent years are then forecasting a standstill, when the current agreement with the major bus operators comes to an end. In the absence of any further agreements payments will be made based on actual patronage and the calculated reimbursement rate. The policy position on bus includes a focus on increasing patronage and as such there is a risk that reimbursement costs increase.
- 2.14 A further £9.5 million per annum is spend on discretionary concessions, predominantly for young people and enables them to travel at half fare up to the age of 19. This clearly supports the inclusive growth aims of the Combined Authority and discussions are taking place with bus operators to ensure that maximum benefits are derived from this expenditure.
- 2.15 **Joint work with bus operators** – there are a number of areas of service provision where the Combined Authority works with the bus operators, including the provision of travel information and the sale and administration of MCards. Work has been undertaken to ensure the relative responsibilities of the bus operators and the Combined Authority are understood and that costs are fairly apportioned between them. This has resulted in an increase in income to the Combined Authority in 2019/20 and subsequent years to reflect the current full costs of administering the MCard scheme. There is also a plan to reduce the operating costs of travel centres within the bus stations with the impact of this coming into the budget from 2020/21.
- 2.16 **Enterprise Zones** - the income stream from the Enterprise Zones (EZ) accrues to the LEP and is received by the Combined Authority as accountable body. This is one of the key income streams that has the capacity to grow and is key in establishing a viable budget. The LEP has an Enterprise Zone (EZ) in Leeds at the Aire Valley and a multisite M62 zone, both of which will contribute business rates above the established baseline for a 25 year period from their date of establishment (2013 for Leeds and 2016 for the M62).
- 2.17 The Leeds EZ has been established for some years and is due to pay over £1.2 million in 2018/19. Forecasts used in budget setting in the last three years have shown strong growth in this income but in reality these increases have been slow to materialise. Since establishing the strategy in February the forecast income from this site has fallen from by £1.6 million for 2019/20. Detailed scrutiny of the pipeline of future development is underway to enable a more robust position to be established, building on the already established baseline of £1.2 million due for 2018/19. This is the first year that the full income on the site accrues to the LEP after some initial investment costs have been recovered by Leeds City Council. Significant growth in this income could for example provide a means by which to fund business and skills projects, or further trade and investment activities, and remove some of the dependence on short term government funding.
- 2.18 The M62 EZ consists of nine sites, only two of which are forecast to make any payments this year – Lindley Moor West and South Kirby. Whilst collectively the sites are all due to make multi million pound annual contributions in due course, they require investment and further development before they can

become income generating. Growth Deal funds have been secured as a partial contribution towards these costs and a development plan identifying priority sites for investment is under consideration.

- 2.19 **Capitalisation** - the level of capitalisation ie charging eligible revenue costs to capital schemes was increased for 2018/19, 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.
- 2.20 **Policy and strategy** – a number of posts in the team have been held vacant in the current budget in order to achieve the saving required. This is being continued into 2019/20 but will clearly limit the capacity of the team to deliver across the full range of policy areas for the Combined Authority and its partners. Additionally there is significant work required to ensure the development of the Local Inclusive Industrial Strategy is underpinned by robust evidence. A compelling strategy will be key to unlocking future funding. Should the proposed LEP merger be agreed by government then the strategy will have to address the revised geography. Government funding is being sought to support this work.
- 2.21 **Rail** – the concerns with the performance of the local rail network is requiring a marked increase in work from the current team to address issues and consider future plans. Coupled with this is uncertainty over the funding from government to support this work via the current administration grant arrangements.
- 2.22 **LEP merger** – the proposed merger between the main constituents of the Leeds City Region LEP and the York, North Yorkshire and East Riding LEP is awaiting approval from government. This will require increased resources to establish agreed ways of working for the new organisation and put in place the right governance and practical arrangements. It is unclear at this stage whether government funding will be available to meet some or all of these costs.
- 2.23 **Trade and Investment** – external funding is being sought to continue the current Key Account Manager posts and if this bid is unsuccessful these costs would need to be met from revenue budgets. There is a clear need to ensure post Brexit that there is sufficient resource to continue to build on the successes of recent engagements with China and India for example.
- 2.24 **Pay award** – the 2018/19 and 2019/20 pay awards have recently been negotiated and the increases are reflected in the attached appendices. It is assumed that future pay awards will be around the 2% average rate settled for this year and next.
- 2.25 **Pay and 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.

- 2.26 The pay award has been agreed for both 2018/19 and 2019/20 and these costs have been included in the attached revenue budgets. During the pay negotiations it became apparent that there may be benefit in reviewing the pay structure in place at the Combined Authority. Work on this will be progressed during 2019 with the assumption that any costs arising will be managed within the overall staffing budget.
- 2.27 The draft budget includes as assumption on vacancy savings that will arise as a result of the usual churn of people leaving. The Combined Authority has over recent years been undergoing a review of its staffing structures and now that these revised structures are largely agreed and in place staffing costs can be forecast with greater accuracy.
- 2.28 **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.
- 2.29 **Other income streams** – the Combined Authority has been awarded further funding since February, including from the business rates pool, which has been built into the 2019/20 budget. The cliff edge scenario of short term funding coming to an end for skills programmes in particular continues to cause ongoing challenges in planning the delivery of these key programmes.
- 2.30 **Capital programme** – Work is continuing on finalising the three year capital programme and the funding available. 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. 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 beyond this date of £30 million per annum for the West Yorkshire plus York Transport Fund, to be supplemented by borrowing in accordance with the original City 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.
- 2.31 The detailed programme is being verified by partners delivering the projects and highlights a borrowing requirement from 2019/20 onwards. The revenue costs of supporting this borrowing, which is predominantly for the Transport Fund, will be reflected in the final proposed budget in February, to be funded from the Transport Fund reserve. It is intended to utilise the Transport Fund reserve to support these costs but once these are applied it must be noted that there will be an ongoing long term commitment to meet the costs of the borrowing entered into. A fuller consideration of debt costs and the application of the Transport Fund reserve to meet these is being undertaken and will be brought to the February meeting.
- 2.32 **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. No contingency has been built into the current budget assumptions to enable this accreditation to be pursued.

- 2.33 Members are asked to consider the proposed draft budget and provide any input into the final version of both the business plan and budget that will be brought to the February meeting.

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. Information on the budget position will be shared with members of the public via the internet during December and January.

8. Recommendations

- 8.1 That the Combined Authority consider the draft business plan and budget proposals for 2019/20 and provide any further input to them.

9. Background Documents

- 9.1 None.

10. Appendices

Appendix 1 – Draft business plan for 2019/20

Appendix 2 – Draft budget for 2019/20

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2019/20 Draft Business Plan Summary

ECONOMIC SERVICES VISION

Delivering effective services to drive inclusive growth.

To attract global investors, support businesses to be more productive and inspire people to gain relevant skills, working with partners from the public, private and third sector.

2019/20 Economic Services Overview

In 2019/20 the Economic Services Directorate will focus on delivery against the following pan-directorate priorities:

- 233 • Increase our focus on **productivity improvement** with businesses, underpinned by more strategic conversations with business leaders to encourage a more long term approach to business planning which helps them access the right package of business support offers to complement their own strategic plans.
- Extend and deepen our work to embed **inclusive growth** across the broad range of skills, business support and inward investment services, in order to foster greater social mobility and to engage stronger commitment from businesses we support to be responsible employers.
- Develop an agile and responsive approach to **Brexit-related opportunities and challenges** by supporting indigenous businesses, potential investors and the workforce in our labour market.

The overall balance of resource investment will be kept under review in line with emerging policy priorities and in response to the prevailing economic conditions, within the constraints of contractual obligations linked to specific funding agreements.

2019/20 Team Priorities

Business Support Team Priorities

The Business Support Team will focus on delivering the following operational priorities during 2019/20:

Current Programmes:

- Deliver LEP Growth Service* with a target of supporting 3,025 businesses and providing 1,035 of these with intensive support
- Deliver Pop-up Business Advice programme with a target of holding 14 events (with over 50% of these in more disengaged / disadvantaged areas).
- Deliver Capital Grants Programme with 75% of jobs created in businesses receiving grants paying the real living wage and above
- Deliver Resource Efficiency Fund programme to October 2019, supporting 88 businesses to reduce energy, water and waste.
- Deliver Access Innovation programme, supporting 77 businesses to research and develop new products or services.
- Deliver Strategic Business Growth programme, supporting 100 businesses to produce and implement strategic growth plans.
- Deliver Travel Plan Network* programme with a target of recruiting 96 new members and contributing to modal shift
- Deliver the Productivity Pilot and use learning to inform future grant programmes.
- Capture and monitor Inclusive Growth outcomes from capital grants with a target of 90% of businesses contributing to inclusive growth outcomes

234

New Programme Development:

- Develop and introduce new Investment Readiness programme to support 60 firms to become more investment ready
- Develop and introduce new Business Resilience* programme for 45 companies, with flexibility to respond to economic uncertainty
- Design, secure funding for & commence delivery of a successor Resource Efficiency Fund* programme from October 2019.
- Design, secure funding for & commence delivery of a successor Access Innovation* programme from January 2020.
- Design and secure funding for a successor Strategic Business Growth* programme to be delivered from April 2020.

Impact Analysis:

- Produce detailed impact analysis of cohorts of businesses supported across all programmes.

N.B. Resources for delivering the above programmes include some local authority staff and contracted delivery partners, as well as the Combined Authority staff resources listed.

**Projects asterisked are subject to current and future funding applications being successful*

The Business Support Team will also focus on the following strategic priorities in 2019/20:

- Increase the reach of the LEP Growth Service across the City Region’s districts, including some of its more disadvantaged neighbourhoods, with a clear focus on business improvement.
- Broaden the LEP’s business support portfolio to better meet the changing needs and circumstances of our businesses, with a particular focus on strategic planning, financial resilience (Brexit and other challenges) and improved productivity.
- Demonstrate the positive impact and outcomes of the LEP’s business support products, both in quantitative and qualitative terms.
- Increase the contribution from businesses we support to the LEP and Combined Authority’s inclusive growth commitments.

2019/20 Employment and Skills priorities

The Employment and Skills Team will focus on delivering the following operational priorities during 2019/20:

235

- Carry out a review and update of delivery agreements with 7 West Yorkshire FE Colleges to influence education and skills provision in line with economic need
- Build career readiness of young people, delivering an enhanced model of employability, enterprise and careers education to 18,000 disadvantaged students
- Deliver a pilot Careers Hub with partners in Kirklees
- Influence 1,000 businesses to engage with education, apprenticeships and sector skills initiatives, including support for 800 businesses to offer apprenticeships
- Support individuals to develop skills in priority sectors* and change careers, helping 1,000 people to upskill in skills shortage areas.
- Reach 250,000 people with information on careers linked to labour market information to promote better informed choices.

The Employment and Skills Team will also focus on the following strategic priorities during 2019/20:

- Provide strategic leadership of the skill system, in particular by creating a Skills Commission to undertake a high profile Skills System Review and extending the effectiveness of Delivery Agreements with Colleges as a precursor to devolved skills funding in order to ensure colleges and training providers deliver the skills we need in the regional economy.

- Build career readiness of young people by investing more resource into enhancing the offer to disadvantaged pupils, extending #futuregoals and working with careers leaders in secondary schools to ensure many more pupils benefit from increased encounters with employers in line with the Gatsby benchmarks in the National Careers Strategy, working in partnership with local authorities.
- Deliver services to support young people, career changers and businesses through the Employment Hub, [re]boot, Apprenticeship Grants for Employers, and support for Apprenticeship levy-payers.

N.B. Resources for delivering the above programmes include some local authority staff and contracted delivery partners, as well as the Combined Authority staff resources listed.

**Projects asterisked are subject to current and future funding applications being successful.*

2019/20 Trade and Investment priorities:

The Trade and Investment Team will focus on the following operational priorities during 2019/20:

- Inward Investment enquiry handling with a target of generating 100 new enquiries of which 50 are non-Core City inward investment enquiries
- Investor Development service* - building engagement with circa 100 foreign owned businesses and identifying new FDI projects
- Bringing 30 successful inward investment projects to LCR, of which a minimum of 15 are beyond the Core City, creating 1,500 jobs for the region and safeguarding a further 500
- Leveraging £50,000,000 in private sector investment
- International Trade – work to simplify the trade delivery landscape and connect potential exporters to new opportunities
- International profile raising - ensuring the profile of our key industrial sectors is maximised
- Sector Development and lead generation to convey specialisms and attract the attention of international investors. Ensure a presence at leading industry events to engage with the sector, investors and represent the region (i.e. Arab Health, SMART Cities etc.)
- MIPIM Property Conference – to provide a platform for our Local Authorities and private sector developers/investors to be represented and promote the region’s key messages
- Emerging Markets - a more concentrated approach to China and India including the expansion of strategic activity to obtain in-market recognition for Leeds City Region

The Trade and Investment Team will also focus on the following strategic priorities in 2019/20:

- Respond to new policy drivers to rebalance the gains from investment across the whole City Region, including support for supply-side promotion of key assets
- Increase the amount of FDI from indigenous firms, through effective investor development by our newly established KAM team, in particular to support companies to secure and win additional local investment post-Brexit.
- Increase the focus of our international trade work help companies exploit post-Brexit export opportunities, in particular to develop stronger links with key emerging markets in particular China and India.
- Channel 4 – maximise the opportunities from securing the high profile inward investment. Attracting new investment in creative & digital sector, supporting existing businesses and new investors. Work in partnership with local authorities to deliver value across the city region (NB additional budget or staffing assumptions not yet included - until DP5)

N.B. Resources for delivering the above programmes include some local authority staff and contracted delivery partners, as well as the Combined Authority staff resources listed.

**Projects asterisked are subject to current and future funding applications being successful*

Economic Services budget summary: DRAFT FIGURES	£
Net revenue requirement 2019/20	1,180,203
Gross revenue expenditure	13,085,142

ECONOMIC SERVICES DRAFT KPI's: TO BE UPDATED

	Proposed Measure	Target	Measurement Frequency	Notes
BUSINESS SUPPORT 238	Number of businesses receiving support	3025	Monthly	10% increase on 18/19 but part-dependent on successful funding applications.
	Intensive support to growth businesses	1035	Monthly	15% increase on 18/19 but dependent on successful funding applications.
	Jobs created in businesses receiving intensive support	650	Monthly	30% increase on 18/19 but part-dependent on successful funding applications and outcome of the Productivity Pilot.
	Proportion of jobs created in businesses receiving capital grant investment paying the Real Living Wage and above.	75%	Quarterly	New measure linked to Inclusive Growth and the incentive to increase wage rates to the Real Living Wage or above
	Investment in business capital growth projects	£6m	Monthly	20% increase on 18/19 but part-dependent on successful funding applications.
	Businesses supported to reduce costs on energy, water and waste	88	Monthly	10% increase on 18/19 but dependent on successful funding application.
	Business supported to produce and implement strategic growth plans	100	Monthly	Same as 18/19 as funding only in place for 10 months of 19/20

	Proposed Measure	Target	Measurement Frequency	Notes
239	Business supported to improve innovation capacity	77	Monthly	10% increase on 18/19 but part-dependent on successful funding applications
	Businesses supported to become more investment-ready	60	Monthly	New project to commence delivery to SMEs in April 19
	Businesses supported to improve their financial health and resilience	45	Monthly	New project to commence delivery to SMEs in June 19, but funding not yet secured
	Pop-up business advice events delivered across the City Region	14	Monthly	Increase of 2 (circa 14%) on 18/19
	Pop-up business advice events delivered in more disadvantaged areas	8	Monthly	Increase of 2 (circa 25%) on 18/19
	New members recruited to the Travel Plan Network of 500 (tbc) members	96	Monthly	20% increase on 18/19 but dependent on successful funding application / CA funding
	Larger employers supported to deliver shared travel plans	15	Monthly	New measure more focused on behaviour change and modal shift
	% of business growth programme grant recipients contributing to Inclusive Growth outcomes	90%	Monthly	New measure linked primarily to businesses in receipt of capital investment grants.
	Proportion of businesses receiving intensive support achieving growth (employment and/or GVA)	80%	Annual	5% increase on 18/19 and to be measured via annual impact analysis

	Proposed Measure	Target	Measurement Frequency	Notes
	Proportion of businesses supported by the Growth Service likely to recommend it	90%	Monthly	5% increase on 18/19 and to be measured on a monthly basis as opposed to annually
EMPLOYMENT AND SKILLS	Deliver an enhanced model of employability, enterprise & careers education to disadvantaged students	18,000	Monthly	6,000 increase per year
	Refresh and monitor delivery agreements with FE colleges, to deliver skills outcomes which support our economic priorities and inclusive growth ambitions	7	Annually	West Yorkshire FE Colleges – 2 nd round of delivery agreements
	Number of businesses influenced to engage with education, apprenticeships and sector skills initiatives	1,000	Monthly	[re]boot, Enterprise in Education, AGE, Employment Hub/BRP
	Of which businesses supported to offer apprenticeships	800	Monthly	Rolled forward from 18/19 for AGE and telemarketing (increase to 1,000 if get funding)
	Of which new businesses (not engaged with skills products in the last year)	150	Monthly	
	Number of people reached with information on careers linked to labour market information, thus promoting better informed choices	250,000	Monthly	Future goals activities, assemblies, website
	Number of individuals supported to upskill in skills shortage areas	1,000	Monthly	[re]boot, Employment Hub, practitioner CPD
TRADE AND INVESTMENT	Total New Enquiries Generated	100	monthly	Maintained from 18/19 as stretch on actual enquiries

	Proposed Measure	Target	Measurement Frequency	Notes
241	a.) of which no. of non-Core City Inward Investment enquiries generated	50	monthly	A new target due to the objective to stimulate inward investment in the wider Leeds City Region
	b.) of which no. generated through Investor development activity	30	monthly	Increased contribution from KAM team reflected
	Total Projects to Leeds City Region (Successes)	30	monthly	Reduced in line with refocus of priorities and Brexit
	a.) of which no. of Projects to non-Core City regions (Successes)	15	monthly	New KPI to target rebalancing spread of investments
	b.) of which no. delivered through investor development activity	15	monthly	Increased contribution from KAM team reflected
	Number of companies that will be actively account managed through investor development activity.	120	monthly	Increased contribution from KAM team reflected
	New Jobs Created (Successes)	1500	monthly	Maintained as stretch on actual performance in 18/19.
	Jobs Safeguarded (Successes)	500	monthly	In likelihood of increased safeguarding priority post-Brexit.
	Private Sector Investment Leveraged	£50,000,000	monthly	Increased to reflect total leverage of investments
	<i>Trade targets still in development to reflect changing priorities regarding Brexit and emerging markets.</i>			

DELIVERY DIRECTORATE VISION

Ensuring the delivery of a portfolio of projects and programmes within the agreed cost, time and quality framework, which meet our strategic priorities and derive maximum benefit for the region

2019/20 Delivery Directorate Overview

The Delivery Directorate is focussed on the delivery of projects and programmes which meet strategic objectives within the funding envelope available. We are responsible for supporting, developing and delivering schemes which create 21st century transport and boost productivity. In particular we support businesses directly by offering loans to support growth and the creation of jobs, including supporting low carbon schemes, supporting college and university infrastructure to support a skilled workforce, delivering superfast broadband to businesses and hard to reach communities, and infrastructure that safeguards businesses and homes from flooding, and tackles fuel poverty by delivering warm homes and alternative heating schemes, supporting inclusive growth. We are building 21st century transport infrastructure by designing and building new rail stations, supporting bus Park and Ride schemes and extending rail station parking, support sustainable transport schemes such as cycling and walking, supporting highways improvement and new highways infrastructure schemes to unlock key housing and employment sites, develop Enterprise Zones and improving the connections between homes and centres of employment. We are also developing smart card technology to make it easier for people to pay for public transport and we are supporting clean technologies to reduce bus emissions and deliver superfast vehicle charging points.

We also ensure schemes that are delivered in the Leeds City Region offer good value for money and meet the requirements of central government and our wider funders. We ensure that projects pass through our assurance process, where schemes are appraised and challenged to ensure we get the best schemes for our money and safeguard public funds.

We rely on support from across the Combined Authority to delivery our portfolio of projects, in particular:

- Policy and Strategy define our projects and programmes and lead on programme level monitoring and evaluation;
- Communications support in meeting government requirements regarding publicity;
- Resources Directorate support in producing legal and funding agreements, finance support, procurement advice, HR and ICT support.

- Where additional or specialist support is required to support the delivery of our programmes these are procured externally and funded via the management costs of these programmes.

Challenges

1. We do not have adequate resources to effectively manage a growing portfolio/workload – this relates to the delivery of additional projects and programmes, supporting partners to deliver new/expanding programmes, and ensuring robust appraisal of our growing portfolio;
2. Managing programme costs effectively when scheme costs are increasing and there is increased pressure on limited funds;
3. Ensuring outputs and benefits are delivered within the timescales set;
4. Ensuring we have sufficiently robust processes/assurance to satisfy government requirements, whilst allowing the flexibility for timely decision making.

There are increasing pressures on resources to deliver an increasing and expanding portfolio, with further planned expansions of projects and programmes. This includes schemes such as Enterprise Zones, new rail stations, future Growing Places Fund/ business loans programme and expansion into commercial areas. The exact requirements of these programmes is still being defined and where additional resources are required any additional costs will be capitalised through defined projects and programmes.

2019/20 Pan-Directorate Priorities

Successful delivery of x projects on the ground (projects starting on site) and completion of x projects

Successful outcome of the 2019 Growth Deal Review (Transport Fund)

Actual spend and forecasts on target and the correct projects delivered / being delivered to ensure we meet our strategic priorities and derive maximum benefit for the region with regards:

- Growth Deal funding (target spend of £105 million in 19/20 and £516 million in total by March 2021);
- LPTIP funding (target spend of £72m original target in 19/20 and £173.5 million by March 2021);
- Other programme funding.

Continue to build and strengthen relationships with partner Councils and external sponsors.

DRAFT

PIMS system embedded and working successfully including further development to improve efficiency to ensure consistent, clear and concise monitoring and reporting to our partners and leaders

Embed measurable changes following the outcome of the 2018 Employee Survey

Proactively manage and maximise business rate potential, capture and investment as part of the Enterprise Zone programme

Planning for future programmes by working closely with the Policy and Strategy teams to ensure place-making, deliverability and monitoring resource capacity (internal, external and partners) to deliver new areas of the pipeline (e.g. Transforming Cities Fund, next SCIP programme)

Completing the smart ticketing and technology programme, making it easier for bus and rail users when paying for their journeys

New strategy for Growing Places Fund reinvestment initiated and embedded

Deliver the early phases of the Corporate Technology Strategy in conjunction with ICT, the Transformation Team and Delivery Partner.

Head Office Accommodation refurbished and flexible ways of working implemented.

Continue to manage and review the corporate, portfolio, programme and project risk and cost management strategy and communicate to our partners.

Celebrate the success of delivering projects as they are delivered and SEP objectives realised.

Proactively manage Lessons Learnt and strategy for capturing benefits realisation

Policies, procedures and working practices improved and implemented to maximise staff retention, e.g. full complement of staff, trained staff, known as an organisation people want to work for / know who we are.

Culture of high performing teams and continuous improvement embedded with motivated and engaged people that are responsible for delivering named projects and new governance arrangements embedded

2019/20 Implementation Team priorities
Transport Projects - direct delivery of transport projects as below:
Rail Park and Ride Programme, Phase 1: Extension to rail station car parks to increase capacity and access to rail- 14 sites in total. 4 schemes to commence construction works in 2019/20, subject to approvals (to Activity 6): <ul style="list-style-type: none"> • Garforth • Steeton & Silsen • Shipley • Moorthorpe Providing approximately 350 additional spaces
Rail Park and Ride Programme, Phase 2: Programme (to Activity 3)
Castleford Rail Station Gateway Project completion (to Activity 6)
New rail stations at Elland, Leeds Bradford International Airport, White Rose and Thorpe Park Approvals secured for taking forward the next steps (At Activity 3 OBC working to Activity 4 – FBC for all 4 stations)
ULEV taxi charging point infrastructure (West Yorkshire) Target 88 No. installations in place Project completion (to Activity 7)

<p>New Station Street, Leeds project completion (Activity 7)</p>
<p>Rail Accessibility programme - Connecting Leeds To facilitate step free access, from the station entry point, through to the platform edge, at Cross Gates, Horsforth and Morley rail stations. (At Activity 3 OBC working to Activity 4 – FBC)</p>
<p>Real Time -Connecting Leeds 490 4-line LED real time information displays at bus shelters in Leeds with no current provision. 510 pole mounted real time information displays along main bus corridors in Leeds. 10 totems with static information and integrated real time information displays at main transport hubs in Leeds. (Activity 6 – Delivery for Phase 1)</p>
<p>New Pudsey rail station Park & Ride -Connecting Leeds (At Activity 3 OBC working to Activity 4)</p>
<p>Halifax bus station A new build bus station will be constructed on the site of the current bus station. The new structures will be to modern standards providing enhanced passenger environs, with improved access to and prominence of the bus station manager's office, ticket office and commercial units. Design and funding agreed 19/20 (At Activity 3 OBC working to Activity 4 FBC)</p>
<p>Smartcard Implementation Programme Programme completion with CHASE residential MCards online process in place & Smart Transactions and Information (Aug 19) Online sales e.g. via a QR/ bar code smartphone app (Sept 19) - making it easier for bus and rail users when paying for their journeys (Activity 6)</p>

Wellington House Accommodation Project

Completion of refurbishment 19/20

(Activity 6)

Corporate Technology Strategy:

- Service Management Capability
- Accessible Technology Charter
- Data Centre and Cloud Strategy
- Active Directory
- Network Infrastructure
- Windows Server Upgrades
- Data Platform
- Meeting Room System
- Cyber Security and PSN
- ICT Disaster Recovery and Business Continuity
- Mobile Access to Corporate Apps (Remote Access)
- End User Devices
- Intranet -
- Sharepoint online and office 365
- CRM Improvements and Futures
- Digitising Services

(Activity 6) - Programme to be delivered 19/20 and 20/21

Bus Hubs (Connecting Leeds)

Initiate delivery phases - awaiting scope definition from Policy (Activity 2)

Transport Partnerships - supporting partner delivery of transport projects as below:

To Activity 2:

No. WY+TF/Connecting Leeds Projects approved at Decision Point 2 (EOI) (1)

CALDERDALE

1. A641 Corridor EOI

To Activity 3:

No. WY+TF/Connecting Leeds Projects approved at Decision Point 3 (OBC) (3)

CALDERDALE

1. A629 Ph4 OBC
2. Halifax Station Gateway OBC

KIRKLEES

3. A629 Halifax Road Phase 5

To Activity 4:

No. WY+TF/Connecting Leeds Projects approved at Decision Point 4 (FBC) (5)

CALDERDALE

1. A629 Phase 1b
2. Elland Station & Access Package

KIRKLEES

3. A62 Cooper Bridge

LEEDS

4. City Centre Gateways (LPTIP) – various

YORK

5. York Outer Ring Road Ph4

To Activity 4:

City Connect Phase 3

No. schemes to Activity 4 (FBC) (1)

1. Cooper Bridge

To Activity 5:

No. WY+TF/Connecting Leeds Projects approved at Decision Point 5 (FBC+) (8)

CALDERDALE

1. A629 Phase 2

KIRKLEES

2. West Yorkshire Integrated UTMC Element C

LEEDS

3. East Leeds Orbital Route

4. Bus priority corridors (LPTIP) – various

WAKEFIELD

5. Wakefield City Centre Package (Phase 2, Ings Rd)

YORK

6. York Northern Outer Ring Road – Phase 3 – FBC+

CORRIDOR IMPROVEMENT PROGRAMME

7. A62 Smart Corridor
8. Huddersfield Southern Gateways

25 To Activity 5:

City Connect Phase 3

No. schemes to Activity 5 (FBC+) (4)

1. Canals:
 - Huddersfield Narrow
 - Leeds Liverpool (Shipley)
2. Castleford/Wakefield Greenway Ph4
3. Huddersfield Town Centre
4. Leeds Links: -
 - Claypit Lane

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- Dewsbury Road
- Elland Rd and

To Activity 6:

No. WY+TF/Connecting Leeds Projects in delivery (on site) 13

CALDERDALE

1. Calderdale A629 Ph2

KIRKLEES

2. UTMC Element A, B & C

LEEDS

3. LPTIP early interventions
4. East Leeds Orbital Route

WAKEFIELD

5. Glasshoughton Southern Link Road

YORK

6. York Central Access Road
7. York Station Frontage

CORRIDOR IMPROVEMENT PROGRAMME

8. Corridor Improvement Programme - Kirklees, A62 Smart Corridor
9. Corridor Improvement Programme - Calderdale, A58 - A672 Corridor
10. Corridor Improvement Programme - Calderdale, A646 - A6033 Corridor
11. Corridor Improvement Programme – Leeds, Dyneley Arms
12. Corridor Improvement Programme – Leeds, Fink Hill
13. Corridor Improvement Programme – Wakefield, Newton Bar

To Activity 7:

No. WY+TF/Connecting Leeds Projects completed – (2)

1. YORR ph2
2. Calderdale A629 (Phase 1A) - Jubilee Road to Free School Lane – Project

To Activity 7:

City Connect Phase 2:

No City Connect schemes to Activity 7 (completed) (9)

1. Canal Towpath – Airedale Greenway (Leeds/Liv)
2. Canal Towpath – Calder Hebble
3. Castleford/Wakefield – Methley Bg – Fairies Hill Lock
4. Canal Towpath – Huddersfield Narrow
5. Canal Towpath – Rochdale Phase 1
6. Bradford Canal Road
7. Leeds City Centre
8. Castleford – Wakefield Ph2, 3 & Bridge over Railw'y
9. York Scarborough Bridge

Corridor Improvement Programme Phase 2 / 3 Development of EOI at programme level to Activity 1 **(1)**

Transforming Cities Fund – Policy to define scope to Activity 1 **(1)**

Economic Regeneration - supporting partner delivery of projects as below:

Framework and Programme management of Better Homes Yorkshire (Year 5); (Activity 6)

- Projects in development to continue benefit utilisation of the framework
- Draft KPI target of 750 homes improved (subject to funding bids)
- Benchmarking of prices exercise to complete

Flood Alleviation Programme

- Skipton monitoring to complete (Activity 7)
- Brighouse & Clifton progress to FBC+ and commence on site (Activity 5/6)
- Leeds FAS 2 progress to FBC+ and delivery (Activity 5/6)
- Progress Kirklees to FBC+ (Activity 5/6)
- *Mytholmroyd due to complete March 2020 (Activity 6)*
- Natural Flood Management programme (Colne & Calder) in delivery (Activity 6)
- Wyke Beck water storage area at Killingbeck Meadows complete (Activity 7)

Leeds District Heat (PIPES)

- On sign up of two heat sales agreements release £4m grant funding
- The Heat Network will go live Summer 2019 (Activity 7)

Warm Homes Round 1

- Complete the programme May 2019 (Activity 7)

<p>Warm Homes Round 3 (subject to funding bid)</p> <ul style="list-style-type: none">• Owner occupiers• Private Rented Sector• Council housing (York and Leeds)
<p>Tackling Fuel Poverty Programme completion and close down (Activity 7)</p>
<p>Leeds City Region Enterprise Zone programme, accelerated delivery for Phase 2:</p> <ul style="list-style-type: none">• FBC for Gain Lane, Bradford (Activity 4)• OBC for Clifton EZ (Activity 3)• OBC for Staithgate Lane, Bradford (Activity 3)• OBC and FBC for South Kirkby (Activity 3/4)• OBC for Parry Lane, Bradford (Activity 3)• OBC for Langthwaite (Activity 3)• OBC and FBC for Moor Park, Mirfield (Activity 3/4)• Financial agreement for approach to Business Rates retention to the Combined Authority across the EZ programme• Collection of business rates
<p>Skills Capital & Innovation Programme:</p> <ul style="list-style-type: none">• Completion of Leeds City College (Quarry Hill/Park Lane Project) (Activity 7)• Working towards the completion of Kirklees College Pioneer House building (Dewsbury Learning Quarter Project) (Activity 6)• Huddersfield Innovation & Incubation Project complete (Activity 7)• End Project Reports finalised and presented to PAT on completed Round 1 & Round 2a schemes (Activity 7)• Post completion monitoring of project outputs on performance for implications of potential clawback if underperformance

254

Energy Accelerator Programme (Activity 6):

- Developed pipeline of projects and commencement of services
- Mid-term programme targets achieved

Growth Deal-Housing & Regeneration Programme

Drive forward Housing and Regeneration Programme, supporting Authorities to achieve spend and deliver anticipated outputs.

- FBC+ Dewsbury Riverside (Activity 5)
- FBC+ Bradford Heritage Buildings (Activity 5-6)
- FBC Bradford Heritage Buildings ph2 (Activity 4)
- FBC+ Northgate House (Activity 5)
- FBC+ Halifax Living (Activity 5)
- FBC+ Wakefield City Centre Gateway (Activity 5)
- Bradford Odeon (Activity 6)
- Leeds Brownfield (Activity 6)
- FBC+ One City Park (Activity 5)
- Barnsley Glassworks (Activity 6)
- Kirklees Housing (Activity 6)
- Halifax Beech Hill (Activity 6)

Growing Places Fund

Priority 1-continue daily management of existing loans to best protect Combined Authority Investment

Priority 2- Ensure all GPF documents and procedures are reviewed to ensure robust practices are in place, best protecting Combined Authority investment

High Speed Rail Institute

Work with University of Leeds to ensure scheme is progressing as planned and Combined Authority resource is effectively utilised to deliver the anticipated outputs for the LCR.

Following RIBA 4 technical sign off, FBC+ (Activity 5) submissions for:

land and infrastructure costs Aug 19

Ph1 Infrastructure Testing Facility Dec 19

Phase 2 Vehicle Testing Facility March 20

Broadband Contract 2 Deployment ongoing (Activity 6)

Broadband Contract 3 – subject to funding bid (Activity 6)

2019/20 Feasibility & Assurance priorities

Achieving a successful Growth Deal 2019 outcome

- Liaison with consultants and supply of monitoring data
- Influencing the review at Government level
- Input to final report, due December 2019

Assurance Framework:

- Annual update, incorporating best practice nationally
- State of readiness for revisions to LEP geography and governance – may lead to significant changes to ways of working

Monitoring & Evaluation:

- Development/support of Evaluation Plans
- Strengthened approach to Benefits Realisation
- Update to Assurance Framework to reflect revised approach

Business Case reviews:

- Formalise role with policy in respect of pre-Eol requirements
- Allocate, train, develop and strengthen review capability of Case Officers to ensure greater consistency and meeting increased demands of expanding portfolio
- Ongoing review of external specialist resource requirements
- Developing partner skills and understanding
- Review and expansion of Peer Reviews across the portfolio and beyond transport schemes
- Roll-out of Appraisal Specification Reports to non-transport schemes

Define and introduce categorisation of schemes by risk level across the portfolio and undertake deep dives

Respond to and lead on future Calls for Projects and Business Rates Pool etc.

257

2019/20 Portfolio Management Office priorities

Continuous review of the assurance process including ensuring transparency and incorporation of inclusive growth, green strategy etc.

- Develop, review and embed templates and guidance documentation:

More efficient delivery of programmes and projects with check and challenge to ensure we meet our strategic priorities and derive maximum benefit for the region including implementation of PMO business partnering

- Service and manage PAT:
- Manage assurance process decision making - TC, IC and CA reporting, MD RfDs:
- Provide advice and guidance on the assurance process to the CA and partners:
- Business partnering to ensure programmes and projects are adequately checked and challenged:
- Case Officer duties

<p>Management of the portfolio with an increased understanding and embedding of controls for the assurance process, i.e. risk and issue management, cost management, change management, interdependencies, benefits realisation / monitoring and evaluation and Planning (Time) Management</p> <ul style="list-style-type: none"> • Develop, review and embed controls and guidance documentation:
<p>Fully embed PIMS reporting system with 'one version of the truth' and clear and concise monitoring and reporting to our partners and leaders.</p> <ul style="list-style-type: none"> • Reporting from PIMS to IC, CA, LEP Board • Management of PIMS – data collection and input • Check and challenge of PIMS data

Delivery Directorate budget summary : DRAFT FIGURES		£
	Net revenue requirement 2019/20	(178,555)
258	Gross revenue expenditure 2019/20	4,555,011

DELIVERY DRAFT KPI's: TO BE UPDATED

Proposed Measure		Target	Measurement Frequency	Notes
259 Implementation	Delivery of a programme of significant transport projects by end of March 2019	X No at DP3 X No at DP5	Quarterly	
	Support partners to deliver significant transport projects by March 2019	X No at DP3 X No at DP5	Quarterly	
	Improving homes through the Better Homes and Warm Homes programmes	750 homes	Quarterly	Subject to funding bids (Warm Homes, ESIF)
	Better Homes: % of contract value delivered by LCR supply chain	80%	Quarterly	
	Tackling Fuel Poverty Programme: progressed through decision point 7	Q1	Quarterly	
	Flood Alleviation: Growth Deal Spend	£3 million	Quarterly	
	Flood Alleviation: Projects progressed through decision point 5	2	Quarterly	Leeds FAS 2, Brighouse & Clifton
	Flood Alleviation: number of businesses with reduced flood risk	70	Quarterly	Programme cumulative target to end 19/20: 620
	Leeds District Heat: heat on achieved (commercial)	Q3	Quarterly	
	Leeds District Heat: Growth Deal spend	£4 million	Quarterly	

	Proposed Measure	Target	Measurement Frequency	Notes
260	Supporting the creation of jobs and increasing GVA output through progression of the Enterprise Zones programme	Xx ha land unlocked?	Quarterly	
	Supporting digital inclusion through the provision of broadband infrastructure in urban and rural communities	XX THP	Quarterly	
	Developing smart card technology, making it easier for bus and rail users when paying for their journeys	Programme completion Qtr3	Quarterly	
	Transport Partnerships - No. WY+TF/Connecting Leeds Projects approved at Activity 2 (EOI)	1	Annually	
	Transport Partnerships - No. WY+TF/Connecting Leeds Projects approved at Activity 3 (OBC)	3	Annually	
	Transport Partnerships - No. WY+TF/Connecting Leeds Projects at Activity 4 (FBC)	5	Annually	
	Transport Partnerships - No. City Connect projects at Activity 4 (FBC)	1	Annually	

Proposed Measure		Target	Measurement Frequency	Notes
261	Transport Partnerships - No. WY+TF/Connecting Leeds Projects approved at Activity 5 (FBC+)	8	Annually	
	Transport Partnerships - No. City Connect projects at Activity 5 (FBC+)	4	Annually	
	Transport Partnerships No. WY+TF/Connecting Leeds Projects at Activity 6 (in delivery)	13	Annually	
	Transport Partnerships No. WY+TF/Connecting Leeds Projects At Activity 7 (completed)	2	Annually	
	Transport Partnerships - No. City Connect projects at Activity 7 (completed)	9	Annually	

Proposed Measure		Target	Measurement Frequency	Notes
262 PMO	Review of the assurance process	Revised and approved March 2019	Annually	Ties in with assurance framework review
	Schemes reviewed at PAT at: DP2 DP5	To determine based on forecasts	Quarterly	
	PIMS updated with all schemes within funding programmes CA is responsible for	March 2019	Quarterly	
	Portfolio reporting format for our partners and leaders agreed and implemented for all funding programmes CA is responsible for	March 2019	Quarterly	
	Successful Growth Deal Review Outcome by December 2019	Pass	One-off	
Feasibility & Assurance	Successful Growth Deal Review Outcome by December 2019	Pass	One-off	
	Incorporate LEP Review guidance into updated Assurance Framework	Date still unclear	On-off	Currently awaiting Government guidance to be issued
	Review of submitted business cases to meet Programme Appraisal Team timescales	100%	Annual	

POLICY, STRATEGY AND COMMUNICATIONS VISION

Leading Thinking; Empowering the region

To be the “Best in Class”. To develop a leading, inclusive industrial strategy; a radically new economic and public policy framework for Leeds City Region; a new vision for the kind of place we want the City Region to be; to secure a devolution deal; to agree a long term funding settlement with Government; and to make the region known nationally and globally as a place where everyone can build great businesses, careers and lives, supported by world-class transport, housing and digital connections.

2019/20 Policy, Strategy and Communications overview

1. Leading thinking, and carrying out detailed evidence-based policy development work, to help regional leaders to achieve their long term objectives to improve prosperity and living standards for people across West Yorkshire and the Leeds City Region;
2. Developing a Local Inclusive Industrial Strategy as part of new Policy Framework, of a quality and ambition that helps to unlock the potential of the region and enhances its status as a national and international economic centre;
3. Leading work with partners to bring game-changing devolved powers and investment to the region;
4. Leading thinking on, and securing funding for, transformational 21st century connectivity infrastructure, which will unlock opportunity by enabling people to move around the region and enable easy and swift travel nationally and internationally;
5. Providing a fit for purpose data and intelligence infrastructure to support the organisation’s business plan objectives and to ensure that our analysis capabilities and research tools can support the needs of delivery teams;
6. Delivering a positive profile of the organisation, our partners and region to international, national, regional and local audiences - ranging from the media, our communities, and businesses, to international investors, National Government decision makers and specific influencers. All to encourage investment in our region and greater opportunity for those who live and work here. Also to enhance confidence in the Combined Authority, the LEP and its partners to more readily achieve our strategic objectives;
7. Engaging with people, communities and businesses to ensure that our policies are shaped by local views and local evidence;
8. Leading on strategic engagement with key regional, national and international audiences and influencers to secure our Inclusive Growth, Strategic Transport investment, Devolution, Investment and Productivity aims;
9. Delivering marketing projects and campaigns that directly support our aims and objectives and the services we offer.

The above work is **delivered** by two services:

- A **Strategy and Policy** service (led by Heads of Transport and Economic Policy, and Research and Intelligence). The team is flat and flexible, consisting of Managers who own specific areas, supported by a team who can flex and surge depending on priorities. The team is organised around clusters shaped by the organisation's Policy Framework – Transport and Connectivity, Place, and Business and Workforce and supported by a flexible and expert Research and Intelligence team;
- A **Communications and Marketing** service led by a Head of Communications consisting of a flat structure of Communications managers with a flexible pool of Communications, Engagement & Marketing officers that can work across different needs and projects as required. The teams cover all aspects of a modern communications function including - External Affairs and Media Relations, Marketing, Internal Communications, Public Engagement, Digital Marketing & Communications, Design and project-specific teams such as City Connect, Skills and Trade & Investment.

2019/20 Strategy Priorities
Strengthen our local powers and secure investment to maintain and enhance the CA's investment in the region (currently c.150m a year) , by continuing to make the case for devolution, successfully securing bids, and influencing the future shape and size of the UK Shared Prosperity Fund.
Maximise the delivery of the current ESIF programme to 2020 , by ensuring that we allocate the full sum of money to support our priorities.
Development over the course of 2018/19 of a single, bold City Region Strategic Framework (including the development of Local Inclusive Industrial Strategy) which will be owned by both the LEP and CA with inclusive growth at its core (This will be an agile, long-term framework aimed at driving growth, boosting productivity and earning power for a post 2030 economy. This will be produced in partnership with key stakeholders including Districts, Universities, and business representative groups)
Influencing pan-northern economic policy: Development and implementation of the NP11 policy and research programme (policy advisory role to LEP Chair and wider group)

2019/20 Business, workforce and productivity priorities:
Drive improved productivity across the City Region's business base and ensure the benefits result in an inclusive economy, with proposals to enhance the region's digital and innovation capabilities and improved skills, by developing ambitious proposals to improve productivity, deliver a Digital Framework and develop a strategy for innovation.
Develop proposals to support extraordinary economic growth and enhance the region's business base and job creation, including on business finance and inward investment
Conduct a review of the local skills system to assess the current performance of the system, identify future challenges, set out a coherent blue print for a reformed system that can meet needs more effectively at both local and national level, inform the national policy debate; and develop the CA's thinking around the powers and responsibilities.
Develop with partners specific elements of sub regional public policy including on health and social care, children and young people and inclusive growth
2019/20 Place priorities:
Deliver improvements to Place to deliver inclusive and clean growth, including strategic input to local and regional strategies, ambitious strategies and delivery plans for energy and green and blue infrastructure, digital connectivity, and development of interventions for flood mitigation
Ensure alignment of Local Plan spatial priorities with strategic spatial priorities and strategic infrastructure investment decisions, working with partner councils and enhancing joint working arrangements
Support delivery of housing growth to reach the upper range of 13,000 homes a year as outlined in the Strategic Economic Plan, by promoting the LCR Housing Vision, prospectus and pipeline.
2019/20 Transport priorities:
Development of an integrated 'City Region' Transport Network including the development of Inclusive Growth Corridor Plans and mass transit proposals leading to the development of a LCR Connectivity Strategy
Develop an ambitious Transforming Cities Fund submission which helps deliver our targets and indications and meets partners expectations

Develop the policies within the WY Transport Strategy 2040 into action and evaluation plan including embedding Healthy Streets, developing our approach to air quality, aligning the LTP funding to meet objectives, developing a freight policy and create a 'State of Transport' report.
Develop a pipeline of road schemes
Develop Local Cycling and Walking Infrastructure plans and pipeline.
Shape the development of national rail schemes (including Leeds Station, High Speed Two, Northern Powerhouse Rail, Calder Valley improvements, Trans Pennine Route Upgrade and East Coast Mainline)
Ensure WYCA's priorities for short term rail operations are delivered e.g. rail performance, maintenance and through franchise service changes are met.
Develop and establish a new WYCA rail plan and pipeline of schemes to support rail patronage growth and customer experience
Support an increase in bus patronage and customer satisfaction including a new Voluntary Alliance, a review of bus services and infrastructure in the context of reducing revenue budgets
Shape Transport for the North's strategy and investment programme.
Developing and testing future mobility options including agreeing and implementing a digital payment strategy, identifying risks, impacts and opportunities of Autonomous Vehicles and trialling demand responsive passenger services.
2019/20 Research and Intelligence priorities:
Develop our information and intelligence assets to support the corporate and business plan needs of the organisation, including leading development of economic research work to support monitoring and impact assessment of UK departure from EU on LCR businesses and households, and enhancing evidence bases for Industrial Strategy and Inclusive Growth.
Drive the development of project evaluation and economic appraisal , including leading economic business case assessments, and monitoring to support West Yorkshire Transport Strategy and Connecting Leeds
Drive the development and management of the CA's spatial intelligence assets to support the corporate and business plan priorities of the CA , including developing and implementing a Spatial and Location Intelligence Strategy and data platform for self-service access to spatial and local economic data.
Raise the profile of CA evidence advocacy across key policy areas
Ensure the CA and LEP's analytical capability can respond to key operational and reactive requirements, including inward investment, bid development, monitoring and impact assessment.

2019/20 Communications and marketing priorities:
To establish a regional Public affairs function & strategy – (Equivalent Agency Value EAV £1.5m) (NEW)
To establish a regional and coherent local place based narrative programme – (EAV £0.5m) (NEW)
To establish LCR as a centre for people based Digital & Tech development – (EAV £0.35m) (NEW)
Market services and delivery of CAs, initiatives and programmes (BAU)
Use of full service digital engagement, marketing and communications function delivering efficient and valued engagement channels (BAU)
Create a strategic communications and external affairs function promoting inclusive growth measures, policy choices & the region (BAU)
Establish an ongoing partnership programme in priority of order: (BAU)
Use internal communications to embed the organisation's values & Enable Transformation (BAU/NEW)

Policy, Strategy and Communication budget summary: DRAFT FIGURES	£
Net revenue requirement	4,759,920
Gross revenue expenditure	6,509,153

DRAFT POLICY, STRATEGY AND COMMUNICATIONS KPI's : TO BE UPDATED

Proposed Indicator	Target	Measure	Notes
Development of a funding framework	A framework that prioritises how we bid for opportunities that align with objectives with a review of local funding options completed.	Annual	tbc – quarterly review of progress.
Development of the Local Inclusive Industrial Strategy	End March 2019 – to be in the first wave of places to develop strategies	Annual	tbc – quarterly review of progress.
Development of our approach to mobility as a service and an agreed an action plan.	Plan agreed [date tbc]	Annual	tbc – quarterly review of progress.
Progress Leeds Public Transport Improvement Programme	Rail stations to Outline Business Case and connecting communities and transport hubs programme passed over to Delivery. [dates tbc]	Milestones/ Annual	tbc – quarterly review of progress. In partnership with Leeds
Organisational research strategy setting out key research and evidence themes.	Approach agreed and strategy developed by June 2018	Milestones/ Annual	Implementation plan to reduce consultancy spend.
Local Inclusive Industrial Strategy impact and outcome report	Approach agreed and strategy developed [date tbc]	Milestones/ Annual	Integral part of monitoring the strategy and linking intervention to support the strategy on the impact and outcome at community and local level work.
Advertising value equivalent	£4million p.a.	Annual / Quarterly review	based around 5 regional stories a week and 1 national stories a week

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Proposed Indicator	Target	Measure	Notes
Social media reach	Double reach	Annual	Reach not followers - tbc
Followers increase	300%	Quarterly	
Income streams developed	£50k	Annual	To be reinvested into digital, engagement, external affairs tools

RESOURCES VISION

Enabling the right solution

In 2019 the resources teams will be valued business partners to the rest of the organisation, operating systems and processes that are clearly defined and well understood with principles around self service and access to information that make them easy to use and that form the centrepiece of strong governance and accountability. ICT systems will be integrated, with all resources teams working together to ensure a unified offer to the organisation. Internal strategies and policies will embed the principles of inclusive growth with the Combined Authority demonstrating best practice in procurement and talent acquisition to champion those aims itself. This will enable clarity around expectations and responsibilities between managers across the organisation and support services.

Teams will be resilient and agile with structures enabling rapid redeployment across the team to respond to the changing needs of the organisation and with the skill sets to support the varied and growing agenda. The values and behaviours will be embedded in how the teams do business for both internal and external customers and both the added value and value for money they deliver for the Combined Authority will be clear.

2019/20 Resources Directorate Overview

In 2019/20 the Resources Directorate will continue to deliver supporting services to the rest of the organisation in order to enable overall organisational objectives to be met. In addition to these business as usual functions, the Directorate will also continue to deliver a programme of change activities which will include the following cross-cutting activities:

- Embedding a culture of integrated working across Resources Teams to provide a unified offer for internal customers which is 'best in class'
- Review and enhance organisational design structures for each team to ensure these are delivering what was intended
- Embedding the partnering approach across all Resources services that shifts from transactional to strategic support.
- Embed Inclusive Growth principles across Resources team's policies, in particular procurement and HR and to include consideration of living wage foundation accreditation.
- Further deliver and embed improved internal governance arrangements, including arrangements for a LEP with revised geography
- Development of new HR and Finance ICT systems to further embed self service and improve efficiency in working practices
- Further develop and embed customer service principles/ways of working
- Further embed Flexible Ways of Working
- Deliver ICT improvements through the Corporate Technology Programme
- Produce improved management information to drive better decision making and compliance.

2019/20 Team Priorities

2019/20 Finance Team Priorities

Ongoing provision of Financial services and support including:

- Coordinating and reporting on statutory compliance activities,
- Annual budget planning process and ongoing monitoring activities
- Financial and management accounting
- Invoicing
- Debtor management
- Payroll
- Grant administration
- Financial reporting and advice

Additional service transformation activities:

- 27 ↕ Detailed analysis of finance/budget/HR system requirements to feed into new system specification
- ↕ Soft market testing of financial systems market
- Review and update of key financial policies / processes and user documents
- Finance manual development
- Further embed and review that OD Phase 1 is achieving expected outcomes.

2019/20 Corporate Planning and Performance Team Priorities

Ongoing Corporate Planning and Performance activities including:

- Annual business planning process
- Monitoring progress against corporate priorities
- Corporate risk management and monitoring activities
- Business continuity planning and testing
- Management information reporting and monitoring

Additional service transformation activities:

- Programme management and support for the corporate transformation programme

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- Providing support to key corporate projects including the Wellington House office accommodation and flexible working project and the Corporate Technology Programme
- Further digitising key corporate processes in association with roll out of new technology through the Corporate Technology Programme

2019/20 Procurement Team Priorities

Day to day procurement and contract management support:

- Delivery of 40 individual procurement projects to support the delivery of organisational goals
- Delivery of 10 strategic procurement projects to support delivery of corporate strategy
- Routine purchasing support
- Procurement pipeline planning
- Management of framework agreements
- Contract management activities
- Spend analytics and reporting

Additional service transformation activities:

- People: Establish a mechanism for flexible procurement resource to fluctuating and rapid response requirements.
- Review team structure against future resource demands.
- Embed new improved processes including standard procurement document suite and procurement card usage and Improve systems to support efficient processes
- Inclusive Growth / Social Value: ensuring Inclusive growth principles embedded into Procurement Strategy; implementing agreed social value criteria; introduce minimum standards for suppliers and common standards for contract management to reflect Inclusive Growth principles and reviewing “Good Growth Procurement Policy”
- Implement foundations for Stakeholder Management: Including undertaking supplier training with partners; implementing supplier self-service; review current collaborations and amend where needed; update internet site with “doing business with” and “how to” guides with FAQs.
- Roll out new Contract Management toolkit

2019/20 Governance Service Team Priorities

Ongoing Governance services support:

- Overseeing the governance of the Authority and ensure effective, accountable and transparent decision making at both a political and officer level
- Undertaking the statutory role of Monitoring Officer
- Supporting members, all Boards and Committees and the development of new arrangements for the new LEP geography
- Overseeing and coordinating the production of agendas and reports ensuring papers are prepared in sufficient time and effectively considered
- Publishing agendas and minutes in accordance with the statutory and procedural requirements
- Supporting other key meetings outside the formal decision-making process and preparing minutes including Leaders, Chief Execs and Directors of Development
- Managing and administering the Authority's and the LEP's Codes of Conduct, maintaining registers of Interests and Gifts and Hospitality in accordance with statutory requirements and agreed procedures.
- Providing advice and guidance to members and co-opted members of procedure rules and legislation relating to the codes of conduct, declarations of interest and conduct of meetings
- Supporting Overview and Scrutiny including the role of statutory Scrutiny Officer

273

Additional service transformation activities:

- Increasing information and self service for customers including guides, toolkits and online documents and templates
- Introduce a programme of training/workshops/drop ins to increase the number of reports that are right first time for both committees and officer groups
- Review transparency/publication requirements and opportunities for continuous improvement

2019/20 Legal Services Team Priorities

Ongoing Legal support services including:

- Support all areas of the business directly via a business partnering model
- Projects, procurement & contracts: providing advice and support to all schemes and projects, grant programmes and matters with a contractual element including state aid and commercial advice
- Property, planning & compulsory purchase: providing advice and support in relation to both the Authority's own asset portfolio and also in relation to projects and schemes
- Regulatory: providing advice and support in relation to all regulatory and compliance matters including health & safety, employment and litigation (including debt recovery and insurance claims)
- Governance: providing advice and support in relation to decision-making arrangements
- Devolution proposals – provide the lead legal advisor role across the WY districts

Additional service transformation activities:

- 274
- **Utilise the intranet** to improve the efficiency of L&GS with a focus on:-
 - Greater promotion of services/expertise available to improve customer understanding
 - Increasing the number of self service guides, toolkits and online documents and templates
 - **Information Governance** – embed further data protection measures across the organisation
 - Embed further integrated **legal/procurement processes**

2019/20 Human Resources Team Priorities

Ongoing HR support and strategic advice services including:

- Policy development and advice
- Supporting directorates in day to day staffing issues
- Learning and development activities
- Welfare support
- Absence management
- Health and safety advice

- Embed year 1 of the 5 Year Health and Safety strategy & implement year 2

Additional service transformation activities:

- Embed the business partnering model
- Increase manager self service options
- Revise and refine HR policies and procedures – further embedding values and behaviours into HR policies
- Rollout updated training programme for managers based around the employee lifecycle
- Increase number of apprentice opportunities at WYCA

2019/20 Internal Audit Team Priorities

Provision of Internal Audit services:

- Providing independent assurance to and for the organisation
- Delivering the annual audit plan
- Providing assurance mapping
- Managing counter fraud processes and policies
- Provision and review of data analytics.
- To ensure compliance with grant conditions to promote Inclusive Growth principles

Additional service transformation activities:

- Identify areas where the internal audit service can be supplemented through the engagement of bought in specialisms.
- Explore options for secondments with Local Authority and Central Government Department stakeholders
- Develop communication and understanding of the role of internal audit through the completion of a stakeholder management strategy

2019/20 ICT Services Team Priorities

ICT support services including:

- Providing supporting ICT services and advice to the organisation including
- ICT service desk service and issue resolution
- Infrastructure support
- Hardware management
- Business systems management
- Cyber security services
- Software development

Additional service transformation activities:

- Delivering the Corporate Technology Programme including projects such as:
 - End user devices to support flexible working
 - Active directory re-design
 - Cyber security & PSN compliance
 - Enhanced disaster recovery & business continuity processes
 - Website harmonisation

276

Resources budget summary: DRAFT FIGURES	£
Net revenue requirement	4,875,728
Gross revenue expenditure	5,760,728

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Indicator	Target	Measure	Notes
Finance Process improvements (though linked to System and new OD): <ul style="list-style-type: none"> ○ Process improvements – capture efficiencies created (cashable / non cashable). 	tbc		
Procurement: No. of successful legal challenges on procurement Procurement savings as a % of addressable spend (5 to 10% TBC) Procurement return on investment the savings return (should be between 5 and 10 times the cost of the team). Project Delivery - ensuring delivery of the pipeline of projects Timeliness of delivery Delivery of social value in contracts	0 tbc tbc 40 major projects Apprenticeships		Through contract mgt
Human Resources: Average absence (as % of workforce) % Increase in women in management roles (grades D-K) % increase of BAME across organisation Delivery of People Strategy	2% tbc tbc tbc	Monthly Quarterly Quarterly tbc	average for public sector currently 2.9%

Indicator	Target	Measure	Notes
Launch of and training in application of new policies	tbc	tbc	
Increase in number of apprentices	tbc	tbc	
ICT Services <ul style="list-style-type: none"> - Real-Time, Yournextbus: Vehicles Being Tracked - Core Network Up Time - Microsoft Cloud availability - CoSA availability - Service Desk open tickets - Website (external and internal) availability Delivery of Corporate Technology Programme against agreed plan	78% 99% 99% 98% 100 or less Zero tbc	Monthly Monthly Monthly Quarterly Monthly Monthly Monthly	
Internal Audit Provide an independent opinion on the effectiveness of the Combined Authority's control, risk management and governance arrangements	X% of audit programme	Quarterly	
Improve delivery of IA services.	80% positive response	Quarterly	Via audit questionnaires
Legal and Governance Meeting FOI/EIR deadlines Compliance with statutory requirements re committee agenda publication	100% 100%	Quarterly Quarterly	

Indicator	Target	Measure	Notes
Toolkits for self-service across a minimum of 2 legal areas to be produced	tbc	tbc	
Information governance improvements/GDPR compliance	tbc	tbc	
Timeliness of delivery	tbc	tbc	
Compliance with governance elements of assurance framework: LCR LEP Merged LEP			

TRANSPORT SERVICES VISION

Connecting people to places

To transform, through strong relationships with local partners and transport providers, the services provided by the CA to be efficient, community led and customer focused.

2019/20 Transport Services Overview

In 2019/20 the Transport Services Directorate will be focussed on the following overarching priorities

- Reducing cost, improving efficiency and growing income
- Making it easier for people to use our services and products
- Ensuring our services support inclusive growth in communities
- Doing the best we can for our customers
- Delivering the Combined Authority's policies and looking after its assets
- Supporting our colleagues in District Councils
- Being part of the public/ private sector transport team

2019/20 Priorities
Service Activity
<p>Support For Mobility</p> <p>Core Activity</p> <ul style="list-style-type: none"> • Enabling 20 million passenger journeys per year (approx. 15% of all bus journeys) on services commissioned under contract by the Combined Authority and liaison with bus operators to ensure the delivery of commercial bus services meets the West Yorkshire Bus Strategy • The AccessBus service enables 5,000 people with limited mobility to make independent journeys • Enabling over 40,000 young people travel on school transport services commissioned under contract by the Combined Authority • Arranging transport for SEN pupils for Wakefield Council • Procurement and management of contracts of total value £27.5 m • Delivery of education transport services under co-operation agreements with all five Councils <p>28 Priorities for 2019/20</p> <ul style="list-style-type: none"> • Develop and deliver voluntary partnership for bus services • Reduce spend on support for mobility/ bus services in line with three year budget strategy • Implement outcomes of bus network review programme in partnership with Councils • Procure and implement a new Park & Ride service at Stourton • Support delivery of Connecting Leeds bus transformation projects • Apply new policy for home to school support • Continue process of replacing MyBus services • Adapt and expand range of Education Transport services provided to Councils • Support the development of a Door to door transport Digital Hub in Leeds • Develop and implement innovative transport services including East Leeds DRT • Seek opportunities to further integrate AccessBus with health/ social care

Key Targets for 2019/20

- Reduce expenditure by 20% in line with budget strategy
- Reduce cost per mile of contracted bus services from £2 to £1.94
- Increase customer satisfaction with bus services in Transport Focus Bus Passenger Survey From 83% to 85% satisfied

Reducing the cost of travel

Core Activity

- Enabling over 155,000 under 19s to travel at half fare or less
- Enabling over 270,000 older and disabled people to travel on bus services free of charge under the national ENCTS free bus travel scheme.
- Providing reduced rail fares in West Yorkshire for older and disabled residents
- Issue and renewal of travel passes including eligibility checks
- Administration of £56m of payments to transport operators

Priorities for 2019/20

- Design and deliver new young people's concessionary fares scheme aimed at increasing bus use amongst under 25s at no increased cost to the Combined Authority

Key Targets for 2019/20

- Increase the number of bus journeys made by under 19s by 5%
- Increase percentage of concessionary passes ordered on line from 40% to 65%

Multi modal ticketing

Core Activity

- Providing the MCard range of multi modal smart travel tickets which enables customers to travel on bus and rail services around West Yorkshire. MCard has been identified as the largest smart ticketing scheme in the UK outside London
- 1.2 million MCard sales transactions per year retailed in local shops, on line, Travel Centres and business to business sales through the Travel Plan Network
- MCard is managed by a joint venture company co-owned by the Combined Authority and transport operators West Yorkshire Ticketing Company Ltd. The Combined Authority delivers the MCard under a Service Level Agreement with the ticketing company
- Administration and distribution of £32 million sales income per year

Priorities for 2019/20

- Deliver new MCard products and retail services with a focus on young people and mobile phone ticketing
- Develop services which enable digital payment for travel in line with a revised strategy to be presented to the Combined Authority Transport Committee in January 2019
- To innovate and extend the MCard product range and retail channels
- To move Combined Authority's yield on MCard from deficit to surplus

Key Targets for 2019/20

- Increase MCard sales of under 25s products (by volume and value) by 5%

Travel centres

Core Activity

- Operation of retail services at Castleford, Bradford, Halifax, Huddersfield, Leeds and Pontefract Bus Stations serving 400,000 customers per year
- Travel Centres sell ticketing products and coach holidays and provide bus station users with travel information and general enquiries
- The Combined Authority co funds the Arriva Travel Centre at Dewsbury Bus Station and provides a shop unit operated by Transdev at Keighley Bus Station
- All front line customer services (Travel Centres, Information and Bus Stations) are accredited annually by the Institute of Customer Services

Priorities for 2019/20

- Modernise the current counter sales offer to increase self service
- Devise and implement a plan to enable Travel Centres to be financially self-funding by 20/21

Key Targets for 2019/20

- Cost of Travel centre operation v income to be cost neutral by 2021
- Ensure mystery shopper scores consistently exceed 85%

Travel information

Core Activity

- Providing the Metroline contact centre 400k customer interactions pa – telephone enquiries, webchat and social media output and interaction
- ²⁸⁵ Providing the wymetro.com travel information portal. Each month this site receives over 2.5 million page views, and 60% of those pages are accessed by customers using smartphones and tablets
- Providing the real time bus information (yournextbus) system with screens at 1050 bus stops and enabling over 1 million people a year to access real time bus information on line or by scanning a bar code at a bus stop
- Providing timetable information at 14,000 bus stops bespoke to the services using each stop and posters in bus stations and key interchanges
- Publishing bus timetables and maps on line and in paper form – 3 million timetable downloads from wymetro.com pa

Priorities for 2018/19

- Deliver modernised information services in line with a revised strategy to be presented to the Combined Authority Transport Committee in March 2019
- Reduce the net cost of travel information services by 10% through efficiencies and increased income

Key Targets for 2019/20

- Ensure at least 95% of travel information enquiries to be made online
- Increase satisfaction with travel information from 80% to 84%

Asset and Facilities	
Core Activity	
<ul style="list-style-type: none"> • Operation of staffed bus stations at Bradford Interchange, Castleford, Dewsbury, Halifax, Huddersfield, Keighley, Leeds and Pontefract • Operation of a further 26 unstaffed bus stations and major interchanges • Provision and maintenance of 14,000 bus stops and 5,000 bus shelters. • Facilities management of the Combined Authority's office buildings. • Landlord services for operational and non-operational properties 	
Priorities for 2019/20	
<ul style="list-style-type: none"> • Develop an Asset Management strategy which maximises the commercial potential of the Combined Authority's portfolio 	
Key Targets for 2019/20	
<ul style="list-style-type: none"> • Increase proportion of asset management costs met by income to 55% • Ensure average annual expenditure per on street asset does not exceed £124 • Ensure average net cost of bus stations does not exceed £0.61 per bus departure 	

286

Transport Services budget summary: DRAFT FIGURES	£
Net revenue requirement	79,924,772
Gross revenue expenditure	96,740,048

TRANSPORT SERVICES DRAFT KPI's: TO BE UPDATED

	Proposed Measure	Target	Measurement Frequency	Notes
Supporting Mobility	Bus Patronage West Yorkshire and Leeds Strategic Targets		Annual	Monitored by R&I and reported through Policy & Strategy and Connecting Leeds Programme Board
	Customer Satisfaction With Bus Services	To be set in bus alliance framework	Annual	Monitored through Transport Focus national survey
	Budget Savings Target		Monthly	
	Delivery against contract renewal and MyBus replacement programme		Quarterly	
	Cost and usage metrics for supported bus services contracts	Headline kpi - £ per mile	Annual with contract by contract vfm	Headline kpi - £ per mile
	AccessBus patronage		Monthly	
Reducing Cost of Travel	ENCTS pass usage		Quarterly	Monitored as part of smart transactions monitoring
	Young people's bus usage		Quarterly	Monitored as part of smart transactions monitoring
Multi Modal Ticketing	Cost of WYCA support to MCard in comparison to income	To be self funding in 19/20	Quarterly	

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	Proposed Measure	Target	Measurement Frequency	Notes
	Mcard sales by volume and value	5% increase	Monthly	Monitored as part of WYTCL management accounts
	Delivery against targets set in SLA with Ticketing Company		Monthly	Reported to WYTCL
Travel Centres	Cost of operation vs income	To be cost neutral by 20/21	Quarterly	
	Mystery Shopping	85% plus	Monthly	
Travel Information	% of information enquiries on line	95%	Monthly	
Assets & Facilities	proportion of asset management costs met by income	55%	Quarterly	

West Yorkshire Combined Authority - Summary 2019/20 Budget

Expenditure	Delivery £	Economic Services £	Strategy & Comms £	Resources £	Corporate £	Transport Services £	Total £
Salary & Pay Related Costs	4,300,561	3,335,913	5,448,432	3,309,380	529,184	6,204,343	23,127,813
Indirect Employee Related Costs	450	3,500		383,000			386,950
Premises Related Costs						6,221,276	6,221,276
Travel, Transport & Subsistence Related Costs	3,500	31,097	20,000	6,500	4,000	40,490	105,587
Member Related Costs				152,000	68,000	1,168	221,168
Office Supplies & Services				54,800		455,950	510,750
ICT & Telephony Costs	50,000		58,971	1,389,680		1,092,067	2,590,718
Professional & Consultancy Fees	200,000	1,124,068	260,000	148,600	66,610	370,600	2,169,878
Corporate Subscriptions				9,468	19,500	3,515	32,483
Marketing & PR Costs		474,931	610,500			244,891	1,330,322
Insurance				304,900			304,900
Operator Payments (Transport)						25,601,325	25,601,325
Concessions						56,422,000	56,422,000
Additional Pension Costs					2,301,600		2,301,600
Financing Charges					5,570,000		5,570,000
Grants		2,333,829					2,333,829
Other Miscellaneous Costs	500	5,781,804	646,250	2,400	405,500	82,424	6,918,878
Contribution to External / Related Parties					292,261		292,261
Staff Vacancy Savings Target			(535,000)		(600,000)		(1,135,000)
Total gross revenue expenditure	4,555,011	13,085,142	6,509,153	5,760,728	8,656,655	96,740,048	135,306,738
Direct cost contribution							
Govt grants and awards		(10,537,279)					(10,537,279)
Bus services operator grant						(2,063,592)	(2,063,592)
Education Contribution to Transport						(6,768,000)	(6,768,000)
Bus Station - Tenant Income						(1,585,431)	(1,585,431)
Bus Station / Services Income (PPT, Depart Chgs)						(2,828,798)	(2,828,798)
Admin Recovery (Staff Secondments)			(241,000)			(2,144,536)	(2,385,536)
Capital recovery	(4,733,566)	(882,664)	(1,158,233)	(885,000)		(375,000)	(8,034,463)
Other third party income		(484,997)	(350,000)		(20,000)	(1,049,920)	(1,904,917)
Net revenue requirement	(178,555)	1,180,203	4,759,920	4,875,728	8,636,655	79,924,772	99,198,723
Funding available							
Rail Income							(790,200)
LEP General Funding Income							(1,234,000)
Growing Places Fund Interest							(300,000)
Enterprise Zone Receipts							(1,858,320)
Transport Levy							(93,198,000)
Net Expenditure Total							1,818,203

Total approved by the Combined Authority (1/2/18)

1,198,646

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Report to: West Yorkshire Combined Authority

Date: 13 December 2018

Subject: **Corporate Developments**

Director: Angela Taylor, Director of Resources

Author(s): Angie Shearon, Kate Thompson, Craig Taylor, Louise Porter

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 propose governance changes in relation to the role of the Investment Committee and the governance of the Leeds City Region Enterprise Zone programme.
- 1.2 To propose and note changes in appointments to membership of the Combined Authority and its committees and to consider the appointment of a Chair of the Overview & Scrutiny Committee.
- 1.3 To inform the Combined Authority of the recommendations of a scrutiny review conducted by Calderdale Council into its engagement and relationship with the Combined Authority and agree a formal response.
- 1.4 To provide the Combined Authority with an update on corporate performance including progress against 2018/19 corporate plan priorities, risk management and current budget position.

2. Information

2.1 Investment Committee – proposed changes to terms of reference

2.2 Members are asked to consider a proposal to amend the terms of reference of the West Yorkshire and York Investment Committee, to authorise the Committee to make decisions on behalf of the West Yorkshire Combined Authority (the Combined Authority), in relation to progressing schemes under the Leeds City Region Assurance Framework (the Assurance Framework) in accordance with each scheme's bespoke assurance pathway and approval route. Members are also asked to revise the current bespoke assurance pathway and approval routes for specified schemes, so that the Investment Committee may make decisions in respect of those schemes.

2.3 The terms of reference for the Investment Committee, which is currently an advisory committee of the Combined Authority, include making recommendations to the Combined Authority in respect of progressing schemes under the Assurance Framework. The Committee also makes recommendations to the Managing Director in respect of exercising his delegated authority to progress schemes under the Assurance Framework.

2.4 One of the main challenges the Combined Authority faces when considering the approval of projects and programmes is to ensure a balance between having a rigorous appraisal process and ensuring decisions are timely. At present, all schemes must be approved by the Combined Authority at decision point 2 (Approval of Expression of Interest) based on a recommendation from the Investment Committee. Also, major projects will usually have an assurance pathway and approval route that requires the Combined Authority to make decisions at decision point 4, (Final Business Case), further to a recommendation from the Investment Committee. This approach has provided transparency of decision making and political oversight of schemes. When Investment Committee and Combined Authority meeting dates cannot be closely aligned this can result in a delay of 6-8 weeks before recommendations from Investment Committee can be approved.

Proposed changes

2.5 It is therefore proposed that, to facilitate the delivery of schemes within the funding programme timescales, the Combined Authority authorises the Investment Committee to make decisions on its behalf, in relation to progressing schemes (subject to the limitations set out in paragraph 2.6 below). It is not, however, proposed to change the current process in relation to securing decision point 2 approvals; this is the key decision point in the Assurance Framework process, at which schemes benefit from full consideration from both the Combined Authority and Investment Committee. Nor are timescales generally tight at this stage. However, post decision point 2 timescales are often tight.

2.6 This would mean that decision-making in respect of each scheme would still be determined on a case by case basis by its bespoke assurance pathway

and approval route, which would continue to be set by the Combined Authority at decision point 2. Thereafter this would fall within the remit of the Investment Committee subject to the imposition of an upper financial limit. The proposal is that in those cases where intended scheme changes would result in a revised financial approval which exceeded by more than 25% the cumulative total of the previous financial approval plus the tolerance threshold set by the Combined Authority at decision point 2, the decision must be taken by the Combined Authority itself. The Investment Committee review process is a rigorous one, and the Director of Delivery advises that post decision point 2 the Committee will be able to provide the member oversight, scrutiny and the transparency of decision making required. Further, the Investment Committee may choose to refer any decision to the Combined Authority for determination, for example where any significant change is proposed to a scheme, (for example, in terms of cost, scope, outputs, benefits risks or timescales). Proposed amendments to the terms of reference of the committee are attached as **Appendix 1** to this report. Each member on the committee, including co-opted members from the constituent councils and York, would continue to exercise 1 vote.

- 2.7 If Members are minded to accept this proposal, it is further recommended that this approach is applied to a number of existing schemes which are post decision point 2 to provide for the Investment Committee to make decisions which are currently retained by the Combined Authority. **Appendix 2** to this report sets out these proposed changes where the Combined Authority is asked to revise current assurance pathways and approval routes.
- 2.8 It is proposed that the revised arrangements would be of immediate effect in order to maximise the benefits that flow to all partners from more expeditious decision making. To further streamline decision making, from December 2018 the Investment Committee is meeting monthly or as required, and this has already been welcomed by partners and scheme sponsors. Further changes to the Investment Committee may need to be considered in due course as part of the wider review of decision making associated with the proposed LEP merger.
- 2.9 **Enterprise Zones – Proposed Governance Changes**
- 2.10 In accordance with the City Region’s Enterprise Zone Strategy and Implementation Plan 2017, the Combined Authority established the Strategic Oversight Board in 2016. The Strategic Oversight Board was responsible for establishing a shared vision for the Enterprise Zones but did not have decision making capacity as it was predominantly an officer meeting of partner councils and Combined Authority representatives, chaired by the Chair of the LEP.
- 2.11 A report outlining proposed changes to the structure of governance arrangements for the Leeds City Region Enterprise Zone programme was presented to the LEP Board on 22 November 2018. The report recommended that the Enterprise Zone Strategic Oversight Board should no longer meet and that it should be replaced with a series of officer-led operational meetings chaired by the Head of Implementation (as Senior Responsible Officer) and

reporting directly into the LEP Board at programme level in the future (rather than via the Place Panel) and at regular intervals.

- 2.12 The LEP Board endorsed this approach and approval is now sought from the Combined Authority to formalise the arrangements.
- 2.13 Notification of the changes once agreed shall be reported to Government's Cities and Local Growth Unit in line with the obligations stated within the existing Memorandum of Understanding between the Combined Authority and Government for the Enterprise Zone programme. They have been made aware of the proposals and have raised no objection to the changes.

2.14 Membership Changes

Overview & Scrutiny Committee – change in membership and appointment of chair

- 2.15 On 30 November 2018 Kirklees Council provided notification that Councillor Robert Light had resigned from his position on the Council and that consequently they wished to nominate Councillor Elizabeth Smaje, Councillor Light's substitute on the Overview & Scrutiny Committee, to replace him.
- 2.16 Councillor Light's resignation leaves a vacancy for the position of Chair of the Overview & Scrutiny Committee. Members are asked to consider the appointment of Councillor Elizabeth Smaje to the position of Chair.

Combined Authority Membership – change in substitute 'balancing member' – to note

- 2.17 On 18 October 2018, Bradford Council provided notification that they wished to terminate the appointment of Councillor Simon Cooke as substitute 'balancing member' on the Combined Authority and to appoint Councillor Rebecca Poulsen as his replacement.
- 2.18 Any formal changes to Combined Authority membership must be carried out in accordance with the West Yorkshire Combined Authority Order 2014 which established the Combined Authority with any changes to the 3 'balancing members' requiring the formal agreement of all 5 West Yorkshire district councils. Subsequent to the notification received from Bradford Council, all 5 councils have agreed to:
- terminate the appointment of Councillor Simon Cooke as a substitute Combined Authority member; and
 - appoint Councillor Rebecca Poulsen as the Combined Authority substitute member to replace Councillor Simon Cooke.

Members are asked to note the appointment of Councillor Poulsen which became effective on 26 October 2018.

Appointments to Committees and Panels – to note

- 2.19 At the date of the Combined Authority's meeting on 11 October 2018, there were a number of nominations still to be received from partner councils in respect of membership for some of the Combined Authority committees and panels. **Appendices 3 and 4** to this report are updated schedules setting out the additional appointments for the Combined Authority's committees and panels for Members to note.
- 2.20 **Response to Calderdale Scrutiny Review**
- 2.21 In October 2017, the Chairs and Deputy Chairs of Calderdale Council's three scrutiny boards (and Flood Scrutiny Panel) agreed to undertake a detailed scrutiny review of Calderdale Council's engagement and relationship with the Combined Authority. Responsibility for the review was assigned to the Strategy and Performance Scrutiny Board.
- 2.22 The review group met between December 2017 and February 2018 taking evidence as part of the review from Combined Authority officers, including the then-Interim Director of Policy and Strategy. The final report was considered and endorsed by Calderdale's Strategy and Performance Scrutiny Board at its 25 April 2018 meeting. The full report can be found [here](#). The report contained recommendations for both the Combined Authority and Calderdale Council. Calderdale Council's Cabinet supported the findings and agreed a response to the recommendations which are set out in the response attached as **Appendix 5**.
- 2.23 The review's findings and recommendations were also shared with the Combined Authority and the deputy Chair of the review group met with both the Chair of the Overview and Scrutiny Committee and the Combined Authority's Director of Resources (on behalf of the Managing Director) during the summer and subsequently presented the review's findings and recommendations to the 14 September 2018 meeting of the Overview and Scrutiny Committee. The Committee welcomed the review and suggested that all partner councils periodically review their engagement with, and contribution to, the West Yorkshire Combined Authority as an integral two-way, mutual appraisal process which will drive improvements in partnership working. The Committee also supported the recommendations to the Combined Authority.
- 2.24 A proposed response on behalf of the Combined Authority to the scrutiny review's recommendations is attached at **Appendix 6** for Members' consideration.
- 2.25 The Chair and Managing Director of the Combined Authority have also been invited to a future meeting of Calderdale's Strategy and Performance Scrutiny Board to discuss the proposed agreed response and next steps.

2.26 Corporate planning and performance

Corporate Plan 2018/19

- 2.27 The Combined Authority's annual Corporate Plan sets out the vision and mission for the organisation and also highlights the long term regional ambitions, 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.
- 2.28 In order to measure the Combined Authority's success in contributing to these regional aims, a set of 14 headline success measures has been developed and published in the Corporate Plan. An update on progress against these success measures is provided as part of the performance snapshot report which is provided at **Appendix 7**.
- 2.29 This shows that while the majority of indicators are assessed as 'green' and therefore on track to be met, there are currently three indicators assessed as red. The first of these has previously been highlighted and is related to the delivery of refurbished floorspace through skills capital projects. At present it is estimated that this target won't be fully met in 2018/19, due to an unanticipated delay in the programme for one of the key projects.
- 2.30 Two further indicators are now assessed as red, relating to the targets for supporting individuals to upskill in skills shortage areas and supporting businesses to offer apprenticeships. In both of these cases the confirmation of European Social Funding to deliver these activities was received later than expected on 30th October 2018. As a result of this delay, activity in both areas is now planned to commence in January 2019 with 2018/19 outputs therefore being rolled forward to 2019/20.

Corporate Plan 2019/20 development

- 2.31 Work is continuing on the development of integrated budget and business plan proposals for the 2019/20 financial year. Approval to these proposals will be sought at the Combined Authority meeting of February 2019 and the approved version will then go on to form the basis of the 2019/20 Corporate Plan.
- 2.32 Further information about the detailed process to develop the 2019/20 business plans and associated budget is provided in the draft budget report provided at Agenda item 11.
- 2.33 It is expected that the current corporate priorities of boosting productivity, enabling inclusive growth and delivering 21st Century transport (with a key focus on delivery and devolution to achieve these), will remain the core organisational focus moving into the 2019/20 financial year, in addition to a greater focus on clean growth. The emphasis will however shift onto ensuring

that these priorities are fully embedded and clearly linked to the priorities of each directorate, team and individual.

Corporate risk update

- 2.34 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 7** as part of the performance snapshot report.

Risk Appetite Statement

- 2.35 As a result of recent directorate level risk reviews, officer feedback has also been received on the current Risk Appetite Statement resulting in a proposal that the level of financial risk appetite be reduced. This is not related to any specific change in financial circumstances, but instead reflects feedback that the previous assessment of financial risk appetite was on reflection not considered to fully reflect the current position.
- 2.36 It is therefore proposed to update the Risk Appetite Statement to show the level of financial risk appetite moving from level 3 down to level 2. This would result in the updated Risk Appetite Statement being presented as follows:

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

- 2.37 The Governance and Audit Committee recently considered the Risk Appetite Statement and noted the proposed change.
- 2.38 The Combined Authority are also requested to provide feedback on this change and also more generally on the current assessment of risk appetite across all categories as presented above.

Revenue budget position 2018/19

- 2.39 A summary of the 2018/19 current spend to budget as at October 2018 is attached at **Appendix 8**. A RAG rating has been included to identify budgets that need further review. There are no 'red' areas of concern to report.
- 2.40 The approved annual budget included a £1.4m deficit to be funded from general reserves. Latest forecasts suggest that expenditure is being managed within this figure.

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 in relation to corporate planning and performance and the associated appendices.

5. Legal Implications

- 5.1 The Combined Authority's power to appoint voting members to a decision-making committee is by law more restricted than the power to appoint voting members to an advisory committee. These proposals are in accordance with the Authority's powers.
- 5.2 Any formal changes to Combined Authority membership must be carried out in accordance with the West Yorkshire Combined Authority Order 2014.

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 approves amendments to the terms of reference for the West Yorkshire and York Investment Committee as set out in **Appendix 1** to this report, authorising the Committee to make decisions on behalf of the Combined Authority to progress schemes under the Leeds City Region Assurance Framework, in accordance with each scheme's bespoke assurance pathway and approval route.
- 8.2 That the Combined Authority approves revised bespoke assurance pathway and approval routes for the schemes set out in **Appendix 2**.

- 8.3 That the Combined Authority approves the changes in governance arrangements for the Enterprise Zone programme as detailed in para 2.11 of this report.
- 8.4 That the Combined Authority notes the termination of the appointment of Councillor Robert Light as a member of the Overview and Scrutiny Committee and appoints Councillor Elizabeth Smaje as his replacement.
- 8.5 That the Combined Authority appoints Councillor Elizabeth Smaje as Chair of the Overview and Scrutiny Committee.
- 8.6 That the Combined Authority notes the termination of the appointment of Councillor Simon Cooke as a substitute Combined Authority member and that his replacement is Councillor Rebecca Poulsen with effect from 26 October 2018.
- 8.7 That the Combined Authority notes the updated member appointments as set out in **Appendices 3** and **4** to this report.
- 8.8 That the Combined Authority agrees the proposed response to the recommendations made by Calderdale Council's Strategy and Performance Scrutiny Board as set out in **Appendix 6**.

9. Background Documents

There are no background documents referenced in this report.

10. Appendices

Appendix 1 – Draft terms of reference, West Yorkshire and York Investment Committee

Appendix 2 – Revised bespoke assurance pathway and approval routes.

Appendix 3 – West Yorkshire Combined Authority appointments 2018-19

Appendix 4 – West Yorkshire Combined Authority advisory panel appointments 2018-19

Appendix 5 – Calderdale Council cabinet response to its Strategy and Performance Scrutiny Board's recommendations

Appendix 6 – Proposed response from the Combined Authority to Calderdale Council's Strategy and Performance Scrutiny Board's recommendations

Appendix 7 – Corporate Performance Snapshot Report

Appendix 8 – Budget monitoring 2018/19

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Terms of Reference

West Yorkshire and York Investment Committee

In relation to any function of the Combined Authority relating to:

- **economic development** and
- **economic and transport led regeneration**

the West Yorkshire and York Investment Committee is authorised:

1. To advise the Combined Authority on scheme management and delivery arrangements, including the adoption, application and review of the Leeds City Region Assurance Framework for schemes seeking funding from (or funded by) the Combined Authority or the Leeds City Region Enterprise Partnership.
2. To make any decision to progress a scheme¹ under the Leeds City Region Assurance Framework² in accordance with any bespoke approval pathway and approval route for the scheme³.
3. To make recommendations to the Combined Authority⁴ about any decision to progress a scheme under the Leeds City Region Assurance Framework.
4. To review the impact of schemes funded by the Combined Authority or the Leeds City Region Enterprise Partnership and make recommendations to the Combined Authority as appropriate.
5. To advise the Combined Authority in relation to any other function of the Combined Authority relating to its role as accountable body for funding received for the Leeds City Region.
6. To liaise with the Transport Committee to promote the strategic alignment of regional transport funding investment.⁵
7. To consider and advise the Combined Authority about any other issue affecting the discharge of these functions.

¹ Including determining change requests

² After decision point 2 only

³ With the exception of those cases where the decision would result in a revised financial approval which exceeded the cumulative total of the financial approval and tolerance threshold agreed by the Combined Authority at decision point 2 (or decision point 3) by more than 25%, in which case the decision must be taken by the Combined Authority

⁴ Or any relevant officer with delegated authority.

⁵ This may be through holding joint meetings with the Transport Committee.

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Amendments to the approval route for specified schemes

Where a scheme has been considered by the Combined Authority at an earlier Decision Point (or equivalent Gateway from the previous assurance process) it is proposed that any future decisions due to be taken by the Combined Authority further to recommendations from the Investment Committee, will be delegated to the Investment Committee.

However, where at Decision Point 2 (case paper) approval has been given to a programme as opposed to an individual scheme, each individual scheme will continue to be considered by the Combined Authority, further to recommendations from the Investment Committee, at a subsequent decision point. This approach applies in relation to programmes such as Leeds Public Transport Investment Programme (LPTIP), the Corridor Improvement Programme (CIP) and Flood relief programme.

The Managing Director will continue to exercise any authority already delegated to him under an approval route.

A summary of the schemes which are due to be considered for approval by the Combined Authority at decision points three, four and five in the next six months are provided below, with the schemes in respect of which it is proposed to amend the approval route highlighted in yellow.

Current proposed approval route and dates	Scheme name	Decision Point Approval Sought	Revised Recommended Approval Route
Recommendation from Investment Committee - 9 Jan Decision from Combined Authority - 14 Feb	Headrow City Centre Gateway (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route
	Leeds City Region Enterprise Zone - Gain Lane	3 - Outline business Case	Retain the existing approval route
Recommendation from Investment Committee - 6 Feb Decision from Combined Authority - 14 Feb	A647 Bus Priority Corridor (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route
	Wakefield City centre package phase 2	3 - Outline business Case	Investment Committee decision
	Corridor Improvement Programme Phase 1 - Bradford - A6177 ORR/Great Horton Road/Horton Grange Road	3 - Outline business Case	Retain the existing approval route
	Corridor Improvement Programme Phase 1 - Bradford - A6177 ORR/Thornton Road/Toller Lane	3 - Outline business Case	Retain the existing approval route
	CIP Phase 1 - Kirklees - Huddersfield Southern Gateways	3 - Outline business Case	Retain the existing approval route
	A629 Phase 4	3 - Outline business Case	Investment Committee decision

Current proposed approval route and dates	Scheme name	Decision Point Approval Sought	Revised Recommended Approval Route
	Leeds Flood Alleviation scheme-2	3 - Outline business Case	Retain the existing approval route
	Castleford Growth Corridor	3 - Outline business Case	Investment Committee decision
	York Central Access	4 - full business case	Investment Committee decision
	Local Growth Fund:PA4 - Halifax Northgate House	4 - full business case	Investment Committee decision
	Normanton Rail Station Park and Ride	4 - full business case	Investment Committee decision
Recommendation from Investment Committee - 13 March Decision from Combined Authority - 25 April (This meeting will be in purdah)	Lawnswood Bus Priority Corridor (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route
	Woodhouse Lane/Albion St City Centre Gateway (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route
	A660 Innovation Quarter (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route
	A61N Bus Priority Corridor (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route
	Corridor Improvement Programme Phase 1 Holmfirth Town Centre	3 - Outline business Case	Retain the existing approval route
Recommendation from Investment Committee - 8 May Decision from Combined Authority - 27 June	Rail Accessibility Programme – Horsforth (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route
	New Pudsey P&R (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route
	A58 Bus Priority Corridors (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route
	Corn Exchange City Centre Gateway (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route
	Bradford-ShIPLEY Corridor	3 - Outline business Case	Investment Committee decision
	A629 Phase 1b	3 - full business Case	Investment Committee decision

Current proposed approval route and dates	Scheme name	Decision Point Approval Sought	Revised Recommended Approval Route
	Infirmery Street City Centre Gateway (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route
	New Station – Millshaw (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route
	Alwoodley Gates P&R (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route
	Thorpe Park station (Leeds Public Transport Investment Programme)	3 - Outline business Case	Retain the existing approval route

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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 Deputy Chair: Tim Swift	Member Substitute	Susan Hinchliffe (L) Imran Khan (L)	Tim Swift (L) Barry Collins (L)	Shabir Pandor (L) David Sheard (L)	Judith Blake (L) James Lewis (L)	Peter Box (L) Denise Jeffery (L)	Andrew Waller (LD) Ian Gillies (C)	Roger Marsh Bob Cryan
Members appointed to better reflect political balance across West Yorkshire:		<u>Conservative</u> John Pennington Rebecca Poulsen (Bradford)		<u>Conservative</u> David Hall Scott Benton (Calderdale)	<u>Liberal Democrat</u> Stewart Golton 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 Chair: Andy Clayton	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) (Voting member)
Overview and Scrutiny Chair: Vacancy	N/A	Sarfraz Nazir (L) Sub: Angela Tait Mike Pollard (C) Sub: Naveed Riaz Rosie Watson (L) Sub: Joanne Dodds	Stephen Baines (C) Sub: Geraldine Carter James Baker (LD) Sub: Ashley Evans Dot Foster (L) Sub: Steve Sweeney	Paul Kane (L) Sub: Manisha Kaushik Marielle O'Neill (L) Sub: vacancy tbc Elizabeth Smaje (C) Sub: vacancy tbc	Peter Harrand (C) Sub: Neil Buckley David Jenkins (L) Sub: Ben Garner Denise Ragan (L) Sub: Salma Arif	Glenn Burton (L) Sub: Harry Ellis Graham Isherwood (L) Sub: Richard Forster Elizabeth Rhodes (L) Sub: Albert Manifold	Jenny Brooks (C) Sub: Sam Lisle (C) Ian Cuthbertson (LD) Sub: Ann Reid Tina Funnell (L) Sub: Michael Pavlovic	N/A
Transport Committee Chair: Kim Groves Deputy Chair: Eric Firth Leader of the Opposition: Martyn Bolt	Peter Box (L)	Michael Ellis (C) Vacancy (L) Hassan Khan (L) *Taj Salam (L)	Peter Caffrey (C) *Daniel Sutherland (L)	Martyn Bolt (C) Eric Firth (L) *Manisha Kaushik (L)	Kayleigh Brooks (L) Neil Buckley (C) Kim Groves (L) *Michael Lyons (L)	David Dagger (L) *Kevin Swift (L)	Peter Dew (C) (Non-Voting)	Ian Cherry (Private Sector Rep) 1 private sector rep vacancy (Non-Voting members)
West Yorkshire and York Investment Chair: Peter Box Dep Chair: Roger Marsh	Peter Box (L) Roger Marsh	Ex-officio Portfolio Holder Alex Ross-Shaw (L)	Ex-officio Portfolio Holder Barry Collins (L)	Ex-officio Portfolio Holder Peter McBride (L)	Ex-officio Portfolio Holder Richard Lewis (L)	Ex-officio Portfolio Holder Denise Jeffery (L)	Ex-officio Portfolio Holder Ian Gillies (C)	N/A

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: Alex Ross-Shaw (L) Calderdale: Barry Collins (L) Craven: John Dawson (C) Kirklees: Peter McBride (L) 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 - Interim) - Leeds City Region Universities; 2 reps at Pro-VC level (Prof Lisa Roberts & Prof Liz Towns-Andrews) - WY Consortium of Colleges; FE Rep (Marie Gilluley) - West & North Yorkshire Chamber of Commerce; Chief Executive (Sandy Needham) - Innovate UK; Regional Manager (Dean Cook) - Digital Health Enterprise Zone (Vacancy) - Department for International Trade; Regional Director for Yorkshire & Humber (Mark Robson) 	Kersten England (Bradford)
Chair: Andrew Wright					
Employment and Skills	Susan Hinchcliffe (L)	Bradford: Imran Khan (L) Calderdale: Daniel Sutherland (L) Kirklees: Naheed Mather (L) Leeds: Keith Wakefield (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) – retiring 31/12/2018* - Leeds City Region Skills Network; 2 Deputy Chairs (Prof Margaret House & 1 vacancy) - Leeds City Region Headteachers Network; Rep (Nick Bowen) - Yorkshire & Humber NHS; Local Director Y&H (Mike Curtis) - Department of Work and Pensions; Rep (Sue Soroczan) <p>*to be replaced by Nav Chohan</p>	Merran McRae (Wakefield)
Chair: Rashik Parmar					
Green Economy	Andrew Waller (LD)	Bradford: Sarah Ferriby (L) 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 (WYLNPA)
Chair: Simon Pringle					
Inclusive Growth & Public Policy Panel	Shabir Pandor (L) (Chair)	Bradford: Alex Ross-Shaw (L) Calderdale: Barry Collins (L) Kirklees: Cathy Scott (L) Leeds: Debra Coupar (L) Wakefield: Darren Byford (L) York: Keith Aspden (LD)	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) 	Jacqui Gedman (Kirklees)
Chair: Shabir Pandor					

309

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) Tim Swift (Chair) (L)	Barnsley: Roy Miller Bradford: Alex Ross-Shaw (L) Calderdale: Daniel Sutherland (L) Craven: Richard Foster (C) Harrogate: Rebecca Burnett (C) Kirklees: Peter McBride (L) Leeds: Richard Lewis (L) North Yorkshire: Andrew Lee 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 (Matthew Walker) - Homes England; Rep (Dilys Jones - interim) 	Jacqui Gedman (Kirklees)
Chair: Tim Swift					

Extract from Calderdale MBC’s Cabinet response to their Strategy and Performance Scrutiny Board recommendations regarding Calderdale Council and the West Yorkshire Combined Authority

5. Proposed Response to Scrutiny Findings

5.1 The proposed response to the Scrutiny findings is proposed as follows:

Table 1

1	The Council should continue to seek to work as effectively as possible within the West Yorkshire Combined Authority
	<i>WYCA informed the scrutiny review group that Calderdale Council is a good council to work with. We welcome this conclusion and will continue to work as effectively within WYCA as we can.</i>
2	Strategy and Performance Scrutiny Board should review the effectiveness of the new structure in Autumn 2018
	<i>One of the objectives of the revised Council structure was to coordinate better work on a sub-regional level. We will happily contribute to the Strategy and Performance review of the new structure.</i>
3	WYCA should re-examine its decision making structures to ensure that they are as clear and as simple as possible. It should ensure that any revised structures are made publicly available and are widely communicated
	<i>This is a recommendation to WYCA. We agree that the structures can appear complicated. WYCA has recently re-organised its Committees into a more coherent form and the new arrangements are illustrated at Appendix 1. We will assist people in Calderdale to understand better how WYCA works through the Council’s website and other communication.</i>
4	WYCA should review its protocols to ensure that decision making processes become fully transparent
	<i>This is a recommendation to WYCA. Again, we will assist in this process in any way we can.</i>
5	WYCA should ensure that it is clear when Members are taking decisions and when decisions are delegated to officers
	<i>This is a recommendation to WYCA.</i>
6	WYCA should establish an effective information process and structure which will enable local Members to comment and contribute when an issue affects their ward
	<i>This is a recommendation to WYCA.</i>
7	The Chief Executive should ensure Ward Members are aware when WYCA is considering an issue that impacts particularly on their ward
	<i>We will ensure that ward members are aware of issues in their own wards that are being considered by WYCA.</i>

8	The Chief Executive should ensure that briefing arrangements are in place for all Members involved in WYCA and its Committees and Sub Committees. These arrangements should include mechanisms for Members to feedback key issues that arise from their activity in WYCA.
	<i>Briefings already take place for Calderdale members of WYCA's Transport Committee and WYCA itself principally via ongoing conversation and a monthly update meeting. We will review our briefing arrangements to ensure they are comprehensive. The decision to include a report at every Council meeting on WYCA activity will assist feeding back key issues from WYCA to all Members and to officers. We will consider whether any additional feedback arrangements are required.</i>
9	Governance and Business Committee should consider whether there are adequate arrangements to support Members who are appointed by Council to serve on external bodies
	<i>This is a recommendation to Governance and Business Committee. The Head of Legal and Democratic Services will prepare a report on support arrangements for external bodies for Governance and Business Committee to consider at a future meeting.</i>
10	Consideration of a report by the Chief Executive on WYCA activity and particular issues of concern to Calderdale should be considered as a standing item at every meeting of full Council
	<i>Council has already agreed to add this item to its agenda for every meeting. The first of these reports was prepared for the July meeting of Council.</i>
11	Members who sit on WYCA and its Committees should be encouraged to continue to work for the overall benefit of West Yorkshire within WYCA, rather than to take a parochial approach. This should be reflected in the priorities of the Council and Cabinet.
	<i>We agree that approaching our work within WYCA simply to see how much Calderdale "can get out of it" would be counter-productive. Investments in other parts of West Yorkshire can benefit Calderdale and Calderdale can contribute its skills and talents to the benefit of communities across West Yorkshire. However, we will assess all work within WYCA to be sure that it takes full account of the needs of Calderdale people.</i>
12	Cabinet should include approaches to partnership working with neighbouring areas outside West Yorkshire within its strategies and, in particular, within economic and transport strategies.
	<i>We accept this recommendation. It is consistent with our current practice.</i>
13	WYCA should identify those activities that would benefit from collaboration with neighbouring areas, in particular Greater Manchester and East Lancashire and adopt clear strategies for developing such collaboration.
	<i>We accept this recommendation. It is consistent with our current practice.</i>
14	WYCA should take the opportunity of the appointment of a Scrutiny Officer to review the effectiveness of their scrutiny arrangements
	<i>This is a recommendation to WYCA.</i>
15	Calderdale Scrutiny Boards – and Place Scrutiny Board in particular – should ensure that sufficient consideration is given to WYCA matters in their work programmes

	<i>This is a recommendation to Scrutiny Boards. Council officers will assist Scrutiny Boards whenever they wish to consider WYCA matters.</i>
16	WYCA should arrange occasionally to hold its meetings and Committee meetings in towns and cities other than Leeds
	<i>We agree with this recommendation and are willing to host WYCA meetings in Halifax Town Hall.</i>

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Response to scrutiny recommendations made to the West Yorkshire Combined Authority by the Strategy and Performance Scrutiny Board (Calderdale Council)

Review: [“West Yorkshire....and beyond - Calderdale’s Council’s contribution to the West Yorkshire Combined Authority \(2018\)”](#)

Finding 4 – The reporting lines are complicated ...

Recommendation 3: “WYCA should examine its decision-making structures to ensure that they are as clear and as simple as possible. It should ensure that any revised structures are made publicly available and are widely communicated.”

This particular finding and recommendation were based upon a structure diagram provided to Members by Calderdale officers to show the different points at which both officers and Members from Calderdale have an interface with the Combined Authority. Although a useful guide for that purpose and for demonstrating the numerous touchpoints between the two authorities, the diagram does not exemplify the formal decision making or committee structure of the Combined Authority and may therefore inadvertently have implied a more opaque structure than is the case.

In fact, putting aside the necessary technical appraisal activity conducted by officer working groups, the actual formal decision making process of the Combined Authority is relatively straightforward. Committee arrangements (including terms of reference and membership) are all published on the Combined Authority’s web-site, and updated when revised. However, it is recognised that publication of a diagram depicting the formal decision making structure of the CA and its committees would provide a useful addition to evidence the interplay between the different groups, and it is proposed to publish this going forward.

In addition, the Leeds City Region Assurance Framework (published on the web-site) provides an overview of the Combined Authority and the LEP’s governance arrangements. The Assurance Framework is kept up to date and reviewed annually, with the current review due to be completed by the end of February 2019. As part of this review, the Combined Authority will consider how the presentation of governance arrangements may be improved, for example, by the inclusion of a current structure chart.

The Combined Authority keeps its decision-making structure under review, with a view to promoting efficiency and transparency, and ensuring that the decision-making structure is fit for purpose. The Head of Legal and Governance Services carries out a review of governance arrangements each year, with changes to the structure approved by the Combined Authority at its annual meeting, (and exceptionally during the municipal year), further to informal consultation with Leaders and Chief Executives from all constituent councils and any other relevant Members.

By way of example, further to the annual review of governance arrangements, at the last annual meeting, the Combined Authority amalgamated the informal Planning

Portfolios Board with the Land and Assets Panel, (now the Place Panel). Also, in response to a request from Members, the Combined Authority formally appointed an Inclusive Growth and Public Policy Panel, replacing the informal Inclusive Growth Group.

Finding 5 – Keeping Councillors Involved:

Recommendation 4: “WYCA should review its protocols to ensure that decision-making processes become fully transparent.”

Recommendation 5: “WYCA should ensure that it is clear when Members are taking decisions and when decisions are delegated to officers.”

The Officer Delegation Scheme sets out standing delegations to Combined Authority officers. It is approved each year at the annual meeting, and is published on the Combined Authority’s web-site. Any key decision taken by an officer must be formally recorded and published.

In relation to schemes, the Leeds City Region Assurance Framework provides for a bespoke approval path to be approved by the Combined Authority (i.e. Members) for each scheme. The bespoke approval path for a scheme specifies the decisions to be delegated to the Managing Director within specified tolerances. The extent of the delegation to the Managing Director varies, depending on the type, scale and complexity of each scheme and is set by Members on a scheme by scheme basis.

Inevitably, this approach effectively precludes a prescriptive general description of officer delegations in relation to the approval process for schemes. However, approval of a bespoke approval path for each scheme promotes efficiency, by ensuring that Members’ input is secured appropriately.

The Assurance Framework also sets out officers’ role in decision-making in relation to grant applications under various funding streams.

As part of the annual review of the Assurance Framework, the Combined Authority will review how it presents governance arrangements, including decision-making by officers and Members. How the proposed bespoke approval pathway for each scheme is presented in relevant committee reports will also be reviewed, with a view to making this clearer.

Recommendation 6: “WYCA should establish an effective information process and structure which will enable local Members to comment and contribute when an issue affects their ward.”

Calderdale Council agreed (in its response to recommendation 7) that their Chief Executive will ensure that ward members are aware of issues in their own wards that are being considered by the Combined Authority. We agree with this approach and will assist Calderdale Council in this process.

Finding 9 – Looking west as well as within West Yorkshire

Recommendation 13: “WYCA should identify those activities that would benefit from collaboration with neighbouring areas, in particular Greater Manchester and East Lancashire and develop clear strategies for developing such collaboration.”

Roger Marsh, Leeds City Region LEP Chair (and Combined Authority Member), also chairs the ‘Northern Powerhouse 11 (‘NP11’)’. NP11 is a recently formed, government-funded board consisting of the Chairs of each of the 11 LEPs in the North of England. Its remit is to consider issues and develop strategies and programmes that cut cross regional boundaries amongst Northern LEP and Combined Authority areas. The West Yorkshire Combined Authority provides secretariat and policy support to the NP11 and supports pan-northern, cross-boundary cooperation where it makes sense to do so.

Finding 10 – Scrutiny Committee – in WYCA and in Calderdale

Recommendation 14: “WYCA should take the opportunity of the appointment of a scrutiny officer to review the effectiveness of their scrutiny arrangements”

A dedicated scrutiny officer role was recruited in May 2018 and the Overview and Scrutiny Committee resolved to direct the Scrutiny Officer to begin a review of current scrutiny arrangements at its July 2018 meeting.

Finding 11 – Meeting in places other than Leeds

Recommendation 16: “WYCA should arrange occasionally to hold its meetings and committee meetings in towns and cities other than Leeds.”

The Combined Authority has in the past held its main Combined Authority meeting at the headquarter offices of each of the West Yorkshire and York councils, however for logistical reasons this proved to be quite difficult and Members resolved not to continue the practice. It may be possible, during the planned refurbishment of Wellington House in 2019/20, to hold meetings in our district council partner’s offices and this will be explored.

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APPENDIX 1: CORPORATE PERFORMANCE SNAPSHOT

Progress against 2018/19 Key Corporate Plan priorities: November 2018

Boosting Productivity				
Indicator	Target 2018/19	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). 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 remains
Delivery of new and refurbished skills floorspace through economic regeneration projects funded by our Growth Deal	24,898m ² new	4,500 sqm		4,500sqm opened Sept 2018. 5,200sqm in Q3 18/19. Delays have been due to a contractor going into administration (beyond CA control) but the project is now progressing well with the 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). Delays due to value engineering exercise at the start of the project (beyond CA control) to bring scheme within budget.
Supporting businesses who want to grow through our business growth service	2,750 businesses	1668		On track
Supporting the creation of jobs in those businesses receiving intensive support from our growth service	500 jobs	692.6		On track
Supporting the creation of a further new jobs in the region through the work of our inward investment service	1,500 jobs	927		On track

Boosting Productivity

Indicator	Target 2018/19	Status	RAG	Notes
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. The study will be updated to include 2017/18 when that is available.

Inclusive Growth

Indicator	Target 2018/19	Status	RAG	Notes
Delivering an enhanced model of employability, enterprise and careers education to disadvantaged students	To reach 12,000 students	5,384		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. 5,384 of our most disadvantaged young people have received two or more employer encounters so far this year which will positively impact on their employability and aspirations.
320 Supporting individuals to upskill in skills shortage areas	1,250 individuals	0		In principle confirmation of £3.1 million European Social Funding was received later than expected on 30 th October 2018. Activity to support individuals to upskill is planned to commence in January 2019 with 2018/19 outputs being rolled forward to 2019/20.
Supporting businesses to offer apprenticeships	1,000 businesses	24		In principle confirmation of £9 million European Social Funding was received later than expected on 30 th October 2018. Activity to support individuals to upskill is planned to commence in January 2019 with 2018/19 outputs being rolled forward to 2019/20.
Improving homes through the Better Homes programme	1,000 Homes	1,094		

21st century transport

Indicator	Target 2018/19	Status	RAG	Notes
Delivery of a programme of significant transport projects by end of March 2019	13 complete 11 on site	5 complete 1 on site		Complete: Morley Hub, Fitzwilliam & Mirfield A P&R, Bradford Interchange accessibility & upgrade. Additional functionality to the CHASE smartcard management system including hotlisting, register a pink card, improved

21st century transport

Indicator	Target 2018/19	Status	RAG	Notes
				refund offer for pink cards, GDPR compliance, and marketing functionality. On site: Hebden Bridge rail car park extension
321 Support partners to deliver significant transport projects by March 2019	2 complete 9 on site	5 complete 8 on site		Complete: City Connect phase 2: Castleford – Wakefield (MB2FHL) Calder Hebble towpath Upgrade Airedale Greenway Towpath upgrade Phase 1: Huddersfield Narrow Canal WYTF: City Centre Package Phase 1 – Kirkgate On site: A629 Phase 1a East Leeds Orbital Route Phase 1 North York Outer Ring Road Junction Improvements 4 CityConnect schemes: Leeds City Centre Bradford Canal Road Rochdale phase 1 York Scarborough Bridge
Increase MCard (smart ticket) sales	10% increase	5.2% <i>increase</i>		Up to the end of Sept 18 Under review with West Yorkshire Ticketing Co. Ltd - WYTCL has set 3-5% target increase in their strategy
Increase the proportion of travel information interactions/enquiries made on line	98% of enquiries online	97.2%		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					

322

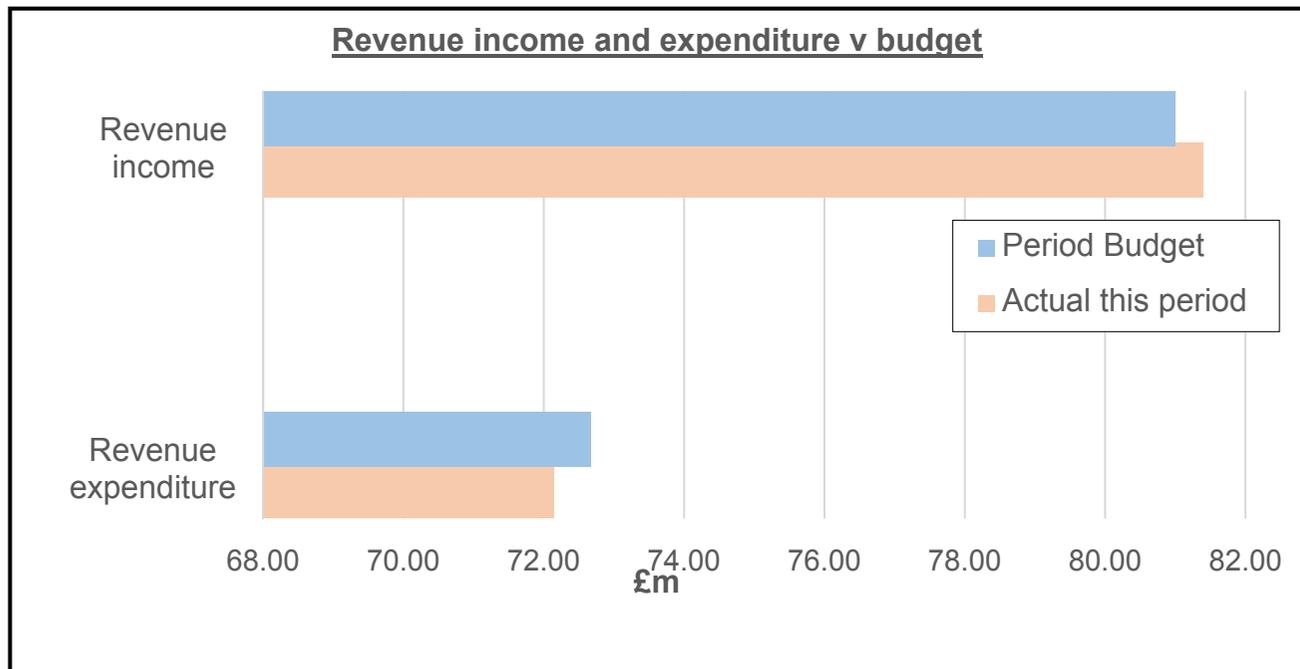
Current 'Very High' risks:

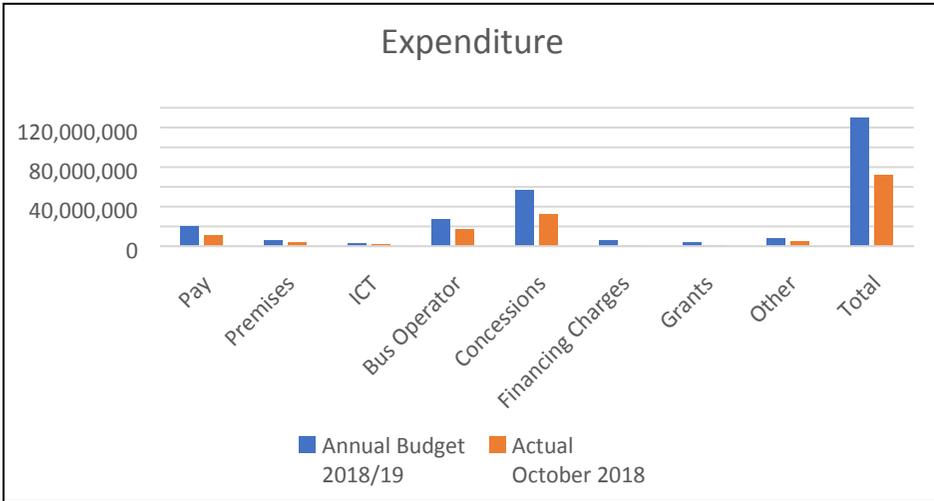
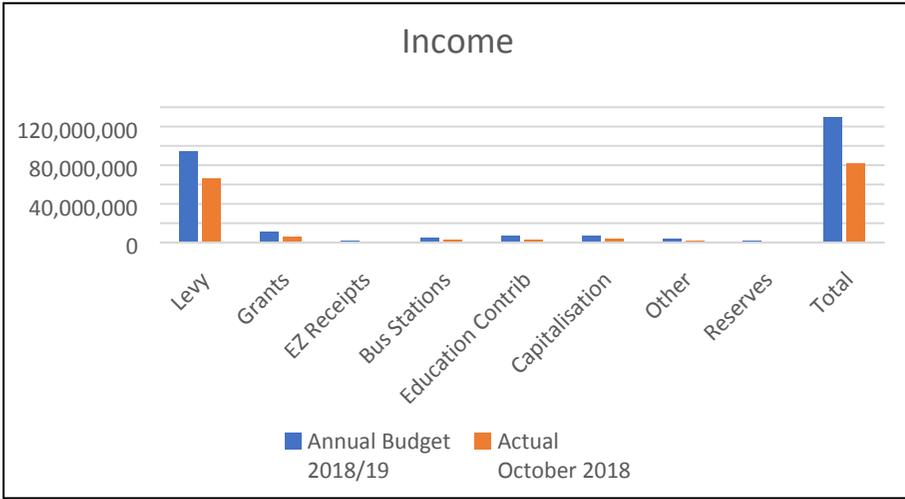
		Probability	Impact	Mitigation summary	Movement since last report
Very High x4	Failure to secure enhanced funding and devolved powers	Possible	Highly significant	Devolution discussions continuing	No Change
	Failure to deliver Growth Deal/other capital funding programmes within timescales/ costs	Possible	Highly significant	Significant controls in place through PMO	No Change
	Failure to have in place the capacity, skills and resource needed to deliver increased workload	Possible	Major disruption	New one organisation structures largely implemented. Business planning ongoing	Probability reduced
	Failure to have the supporting infrastructure and processes in place to deliver against corporate priorities	Possible	Major disruption	Transformation programme & corporate technology programme in place to address this	Probability reduced

Current 'High' risks:

		Probability	Impact	Mitigation summary	Movement since last report
	Failure to deliver CA objectives and outcomes to demonstrate that CA/LEP is making a difference	Possible	Highly significant	Continuing to embed remaining elements of change programme	No Change
	Failure to secure continued funding for key services (e.g. economic services, skills capital)	Possible	Major disruption	Ongoing review of funding opportunities/bids	No Change
	Failure to deliver appropriate working arrangements with District partners	Possible	Major disruption	Continuing to strengthen key partnerships	No Change
	Risk of legal proceedings/financial penalty of not being compliant with GDPR	Possible	Major Disruption	Information asset register/data policies continually reviewed	No Change
	Risk that national terrorism threat level is raised to 'imminent' resulting in the need for unanticipated operational changes/costs	Possible	Major Disruption	Continued review of national trends and potential mitigation measures	No Change
	Insufficient national & local investment in the inclusive industrial strategy to make the transformational change needed	Possible	Moderate	Ongoing dialogue with Government	No Change
	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	No Change
	Failure to properly communicate the purpose of the organisation to stakeholders	Possible	Moderate	Continuing brand/Identity work led by communications team	No Change
	Failure to secure sufficient revenue funding to run current services	Possible	Moderate	Annual budget development in progress	No Change
	Financial failure of a major contractor/supplier to the CA or a recipient of funding from the CA	Possible	Moderate	Contract management processes and regular financial checks in place	No Change
	Failure of 3 rd part contractor to deliver within timescales/within expected level of benefits for CA funded projects	Possible	Moderate	Contractual KPI's and robust escalation route in place	No Change
	Risk of significant bus service disruption if bus companies do not make adjustments in time for introduction of Leeds clean air zone	Possible	Moderate	Continuing dialogue with operators and LCC to understand impacts	No Change
	Major unanticipated change in national policy resulting in operation of the organisation/organisational objectives	Unlikely	Highly significant	Ongoing dialogue with Government. Monitoring of national policy trends	No Change
Risk of Major incident at CA facility, accident /injury to vulnerable person(s)	Unlikely	Highly significant	Policies/procedures/training in place and continually reviewed	No Change	

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





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West Yorkshire Combined Authority - Summary

58.3%

Title	Budget 2018/19 £	October 2018 Actual £	%		RAG
Expenditure					
Salary & Pay Related Costs	20,919,698	10,623,763	50.8%	Vacancies	
Indirect Employee Related Costs	316,170	364,855	115.4%	Higher costs than budgeted in HR - review in progress	
Premises Related Costs	6,184,194	3,712,905	60.0%	Mainly reflects arrears payments	
Travel, Transport & Subsistence Related Costs	112,984	72,527	64.2%	Ahead of period budget but still on track annually	
Member Related Costs	153,168	83,389	54.4%		
Office Supplies & Services	540,050	358,815	66.4%	Typically spend profile not even during year.	
ICT & Telephony Costs	2,342,778	1,514,230	64.6%	Some ICT / telephony costs paid in advance (eg line rentals)	
Professional & Consultancy Fees	2,284,998	1,120,611	49.0%	Low spend - being reviewed with budget holders	
Corporate Subscriptions	39,398	34,755	88.2%	Reflects a number of corporate subscriptions paid annually in advance	
Marketing & PR Costs	1,315,079	638,106	48.5%	Low spend to date - marketing campaigns, MIPIM etc...	
Insurance	279,400	305,851	109.5%	Annual invoice paid - above approved budget, but manageable in wider context	
Operator Payments (Transport)	27,397,250	17,018,346	62.1%	Savings targeted from Qtr4	
Pre Paid Ticket Cost	31,500,000	19,158,830	60.8%	Matched by income (see below) ##	
Concessions	56,270,200	32,357,396	57.5%		
Additional Pension Costs	2,245,800	1,754,117	78.1%	One pension invoice paid annually £1.3m (additional contribution)	
Financing Charges	5,670,000	1,014,660	17.9%	Main costs calculated / accrued at year end	
Grants	4,154,661	796,454	19.2%	Low spend to be reviewed with budget holders	
Other Miscellaneous Costs	506,158	284,705	56.2%	High spend profile to be reviewed with budget holders	
Contribution to External / Related Parties	277,606	81,885	29.5%		
Additional Savings Target	(1,455,000)	0	0.0%	Saving target to be offset against savings in salary budget.	
Contingency	200,000	0	0.0%	Awaiting pay award implementation	
Total Expenditure	161,254,592	91,296,201	56.6%		
Income					
Rail Income	(918,000)	(512,167)	55.8%	Received in arrears - forecast is £878k due to reduction	
LEP General Funding Income	(1,234,000)	(500,113)	40.5%	Received in arrears and towards year end	
LEP Grant Income	(1,385,958)	(808,476)	58.3%	Received in arrears and towards year end	
Growing Places Fund Interest	(200,000)	(55,486)	27.7%	Received in arrears	
Enterprise Zone Receipts	(1,968,000)	(15,859)	0.8%	Received in arrears	
Transport Levy	(94,198,000)	(65,938,186)	70.0%	10 instalments - five received - new profile needed	
BSOG	(1,942,000)	(2,063,592)	106.3%	All received in May 2018	
Education Contribution to Transport	(6,768,000)	(2,527,393)	37.3%	Received in arrears	
Bus Station Tenant Income	(1,472,464)	(952,515)	64.7%	Some receipts in advance / others in arrears. Overall on budget.	
Bus Station / Services - Other Income	(2,866,121)	(1,241,989)	43.3%	Received in arrears	
Admin Recharges	(2,247,672)	(1,135,600)	50.5%	Received in arrears	
Capitalisation of Revenue Costs	(6,803,125)	(3,319,121)	48.8%	Received in arrears	
Pre Paid Ticket Income	(31,500,000)	(19,181,976)	60.9%	Matches expenditure (see above) ##	
Other Income	(6,299,015)	(2,331,166)	37.0%	Received in arrears - being reviewed with budget holders.	
Total Income	(159,802,355)	(100,583,639)	62.9%		
Net Expenditure	1,452,237	(9,287,438)	-639.5%		

327

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Report to: West Yorkshire Combined Authority

Date: 13 December 2018

Subject: **European Structural and Investment Funds (ESIF) – Sustainable Urban Development (SUD)**

Director: Angela Taylor, Director of Resources

Author(s): Heather Waddington

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

1. Purpose of this report

- 1.1 That the Combined Authority, in its role as the Intermediate Body (IB) for the SUD part of the ESIF programme, approve the advice included in the full application assessment form at Part 2 of Appendix 1, and any respective conditions outlined in Part 4a. The form will be then be submitted to the Managing Authority (MA), Ministry of Housing, Communities and Local Government (MHCLG).

2. Information

- 2.1 The Combined Authority selected the projects to progress from outline to full application stage, following final reconciliation to the available budget by the Ministry of Housing, Communities and Local Government (MHCLG) as the Managing Authority (MA) for the funds at the December 2018 meeting. This resulted in four out of the five selected projects asked to progress to full application in February 2018, with one project placed on a reserve list should funds become available.
- 2.2 Unfortunately since February two projects have now been deemed ineligible by the MA under the EU Regulations after submitting their full application. Reasons include one applicant did not fully meet the requirements of the

selection criteria as a significant proportion of the project costs were deemed to be ineligible. The other application as presented at full application stage had radically changed, and no longer reflected the activities, level of investment or contribution to the Call and the ERDF Operational Programme as set out in the outline application, including a significant reduction in outputs such that the proposal no longer represented value for money. A third project had to withdraw from the process themselves. This left one project able to progress to the full application stage. This full application is now being presented to the Combined Authority.

Selection Process and Assessment Form

- 2.3 The selection process for SUD, part of the ESIF programme, has been set out in guidance notes issued to the IB by MHCLG, as the MA.
- 2.4 The IB has already assessed each outline application for local strategic fit based on the Leeds City Region ESIF SUD Strategy and made its project selection, setting out its advice and any respective conditions for the applicant to consider when developing the full application.
- 2.5 Assessment forms are designed and owned by MHCLG. The full assessment form is split in to 4 sections and each completed by either the IB or the MA as follows:
- Part 1, summary project details - completed by MHCLG
 - Part 2, the IB's assessment - completed by the Combined Authority
 - Part 3, the MA's assessment - completed by MHCLG
 - Part 4, selection decision - completed by the Combined Authority (4a) and MHCLG (4b and 4c).
- 2.6 The Investment Committee was asked for advice at its meeting on the 7th November 2018 on whether the proposals set out at full application continue to appropriately address:
- local domestic priorities, development needs/growth conditions and opportunities.
 - the contribution and value for money proposed in the context of the Operational Programme and local ESIF Strategy.
 - any local issues that need to be taken into account in the development and/or delivery of the project.

Undertaking the Assessment

- 2.7 In line with the agreed IB Conflict of Interest Statement and Operating Protocol the full application has been considered by the Appraisal Team, under the responsibility of the Head of Research and Intelligence from the Combined Authority, who have undertaken their own assessment in line with the criteria outlined above. Their findings are presented to the Combined Authority at the meeting. In addition to officers from the Appraisal team the MA will also be in attendance and can respond to questions raised by Combined Authority members regarding the assessment as required.

2.8 The overall summary of the full assessment indicates the scoring criteria is considered to be met. The project is considered to be sufficiently developed to enable the MA to issue a funding agreement subject to the proposed conditions set out in the assessment being fully met.

3. Inclusive Growth Implications

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

4. Financial Implications

4.1 MHCLG, as MA for the funds, is responsible for the issuing of Funding Agreements, paying projects and general contract management. The funding within the Strategy (€19.95m) is a notional budget and is part of the ESIF ERDF programme. All finances go directly through MHCLG's accounts not the Combined Authority's.

5. Legal Implications

5.1 The information contained in Appendix 1 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 There are no staffing implications directly arising from this report.

7. External Consultees

7.1 MHCLG have been consulted in their role as Managing Authority in the production of this report.

8. Recommendations

8.1 That the Combined Authority, in its role as the Intermediate Body for the SUD part of the ESIF programme, approve the advice included in the full application assessment forms at Part 2 of Appendix 1, and any respective conditions outlined in Part 4a.

9. Background Documents

9.1 None.

10. Appendices

10.1 Exempt Appendix 1

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Report to: West Yorkshire Combined Authority

Date: 13 December 2018

Subject: **LEP Review outcome**

Director: Alan Reiss, Director of Policy, Strategy and Communications

Author(s): Jonathan Skinner

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:	N/A

1. Purpose of this report

- 1.1 To inform the Combined Authority of the latest position in response to Government's policy positions set out in *Strengthened Local Enterprise Partnerships*. The report also highlights potential implications for the Combined Authority as those measures are implemented.

2. Information

Local consensus on LEP geography

- 2.1 At its last meeting (11 October 2018), the Combined Authority endorsed the proposal from the Leeds City Region Enterprise Partnership (the LEP) Board to initiate a new LEP covering the whole of West and North Yorkshire. While this complied with the Government's policy positions in *Strengthened Local Enterprise Partnerships* it was noted that the York, North Yorkshire and East Riding (YNYER LEP) wished to retain the status quo with overlapping geographies.
- 2.2 Following Ministerial discussions with LEP Chairs, the YNYER LEP chose on 16 November to submit an alternative proposal that supports a West and

North Yorkshire LEP. The Leeds City Region Enterprise Partnership Board reaffirmed its proposal (22 November) for that geography (fig.1), which was set out in a letter to the Secretary of State is attached as **Appendix 1**.

Fig.1 – the proposed geography of a West and North Yorkshire LEP



- 2.3 The LEP Board's position means Barnsley will be covered by the Sheffield City Region LEP, although there will be strong ties made with neighbouring areas (e.g. Humber LEP, Sheffield City Region, etc.) to further develop activity on issues of mutual interest.
- 2.4 This means that a new LEP, representing a population of 3.1million and economy worth £70.3billion a year, provides the scale that is expected to give the region even greater influence on a national and international matters. This will include developing a local industrial strategy that reflects the opportunities across rural, coastal and urban communities and improves the region's ability to attract investment and influence Government policy, such as securing a significant share of the UK Shared Prosperity Fund (UKSPF) – which could be worth hundreds of millions of pounds a year to the region. The Government has been clear that LEPs that do not resolve overlaps will not have access to the UKSPF.
- 2.5 In addition to the submissions on Government on geography, the LEP also submitted (30 October) an implementation plan setting out how it will meet Government's requirements on leadership, accountability and performance. That was accompanied with a request for £200,000 for additional capacity to help implement those ways of working and begin to develop a strong evidence base for a new local inclusive industrial strategy.

- 2.6 A response from the Secretary of State, James Brokenshire MP, to Roger Marsh was received on 4 December 2018, welcoming the LEP's positive response to the review recommendations including the resolution of overlaps. It also confirmed that the LEP would receive an allocation, to be confirmed shortly, to support the implementation of the review and building the evidence base for the Local Industrial Strategy. This is attached at **Appendix 2**.

Implementation and implications for Combined Authority

- 2.7 In setting this direction, both LEPs are committed to meeting the challenge of focusing on the real business concerns across a geography which equates to 8% of England by learning from elements that work best from current arrangements, and use the new LEP as an opportunity to try new things.
- 2.8 Both LEPs have agreed to form a joint Transition Subgroup that will set the initial, high-level direction towards implementing a new LEP. Comprising Board Members from each LEP, the Transition Subgroup will make recommendations to both LEP Boards in March 2019. This will ensure there is a clear routemap to a new LEP for West and North Yorkshire becoming operational in April 2020. Some of the expected milestones include:
- Formal decision by the LEP Board to merge – March 2019
 - Recruitment process of new LEP chair – after April 2019
 - Recruitment process for new LEP board – once LEP chair appointed later in 2019/20
 - Formal creation of new LEP Board – April 2020
- 2.9 The Transition Working Group will operate collaboratively and transparently across workstreams which cover:
- a) Transition and leadership
 - b) Policy and strategy
 - c) Identity, communications and engagement
 - d) LEP membership and recruitment
 - e) Decision-making
 - f) Programme delivery
 - g) Project delivery
 - h) Regional influence
- 2.10 The Combined Authority is the accountable body for the LEP, and we have set out our intention to Government that it will be the single accountable body for the new LEP. There is currently also a fully integrated governance model that provides a very transparent and efficient way of working. Accordingly, recommendations in several workstreams will have implications for the Combined Authority, such as on leadership, decision-making and programme delivery. These implications will be reported to the Combined Authority as the Transition Working Group carries out its work.

3. Inclusive Growth Implications

- 3.1 The ability of the Combined Authority and LEP to drive inclusive growth depends on the powers and resources to make a tangible difference. By

responding positively to the LEP Review, partners position the City Region to have the necessary future tools for a transformative local industrial strategy that will improve the quality of life for all, and particularly those facing the greatest disadvantage.

4. Financial Implications

- 4.1 There are no financial implications directly arising from this report. The Combined Authority awaits the outcome from its submission to Government for further capacity support, and the future operational costs of the Combined Authority are predicated on an efficient, integrated model with the LEP.

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. Significant additional activity to deliver a new LEP for West and North Yorkshire is being met through reprioritisation of existing staff resources and – potentially – additional capacity funding from Government.

7. External Consultees

- 7.1 No external consultations have been undertaken.

8. Recommendations

- 8.1 That the Combined Authority notes the clearer local consensus on the LEP Review and that a joint Transition Working Group will take forward activity

9. Background Documents

The following background reports are referenced in this report:

- 2 August 2018 Combined Authority – Devolution and Review of LEPs
- 20 September 2018 LEP Board – Strengthened Local Enterprise Partnerships
- 11 October Combined Authority - Strengthened Local Enterprise Partnerships
- 22 November 2018 LEP Board - Strengthened Local Enterprise Partnerships

10. Appendices

Appendix 1 – Letter from Roger Marsh OBE to James Brokenshire MP, Secretary of State for Housing, Communities and Local Government

Appendix 2 – Letter from James Brokenshire MP to Roger Marsh OBE.

The Rt Hon James Brokenshire MP
Secretary of State
Ministry of Housing, Communities and Local Government
4th Floor, Fry Building
2 Marsham Street
London
SW1P 4DF

22 November 2018

Dear *Secretary of State,*

In my letter of 16 November I committed to updating you following the Leeds City Region Enterprise Partnership's (LEP) Board meeting on Thursday 22 November.

After a full and positive discussion, I am delighted to report that the Board reiterated its preference of 30 September to create a new LEP covering the whole of West Yorkshire, York and North Yorkshire. We believe this puts our area in the best possible place to realise extraordinary economic growth and sustained social transformation for all our communities.

Our initial submission included compelling evidence about why this geography best represents a functional and functioning economic area. To that I would add a further point from the LEP Board's discussion: we are proud of the impact LEPs have delivered since 2012, however the communities of West and North Yorkshire still have incredible untapped potential to offer the UK economy.

By combining forces across our diverse but connected rural, coastal and urban places, we will be in an even stronger position to take ambitious public investment decisions that are accountable to local stakeholders. We will also ensure that our area is at the heart of discussions on future local industrial strategy and maximise access to the UK's Shared Prosperity Fund for the benefit of our residents and businesses.

We are clear that any new LEP which results from a merger will operate differently to both existing LEPs, taking full account of the recommendations in *Strengthened Local Enterprise Partnerships* and building on the best elements of each current LEP. We have a clear plan to deliver a new, merged LEP by April 2020. Both LEPs have agreed to work together through a West and North Yorkshire transition working group to bring forward recommendations by March 2019. These recommendations will require

approval of both existing LEP boards to proceed to implementation of the future arrangements.

I trust this confirmation of the Leeds City Region Enterprise Partnership Board's position, alongside similar commitment from the York, North Yorkshire and East Riding LEP, means the question of geography is now resolved. I would therefore ask Government to confirm the allocation of capacity funding so that we can achieve a smooth transition to new LEP arrangements while also developing an ambitious local inclusive industrial strategy for our area.

I look forward to working with you to ensure that these new arrangements realise Government's ambitions for strengthened local enterprise partnerships, which play an even greater part in an economically thriving UK that works for all parts of the country.

Yours sincerely



Roger Marsh OBE
Chair, Leeds City Region Enterprise Partnership

cc: *David Kerfoot MBE, Chair York, North Yorkshire & East Riding LEP*



Ministry of Housing,
Communities &
Local Government

Rt Hon James Brokenshire MP Appendix 2
*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

3 December 2018

Mr Roger Marsh OBE
Wellington House
40-50 Wellington Street
Leeds
LS1 2DE

Dear Roger,

Copied to: Ben Still

I am delighted to see how you have positively addressed the recommendations from the LEP review. Thank you in particular for providing your geography proposal on 28 September and for submitting your implementation plans on 31 October.

LEPs will play a leading role in developing Local Industrial Strategies and delivering the UK Shared Prosperity Fund. As announced in the *Strengthened Local Enterprise Partnerships* publication, we are making up to £200,000 available in 2018-19 to each LEP to fund a timely and effective implementation of the LEP review, and the development of an evidence base for Local Industrial Strategies. We will be confirming your allocation shortly.

We are continuing to work with those LEPs that have not responded to the recommendations in full. Where overlaps are unresolved, LEPs will not benefit from the UK Shared Prosperity Fund.

Whilst I recognise the good progress you have already made through your implementation plans, you should keep working to ensure that all of the recommendations are delivered in full. My officials from the Cities and Local Growth Unit will support you with this.

To confirm our expectations moving forward, this year's performance reviews are based on the existing assurance framework that was published in 2016; with additional requirements following the Mary Ney review. I intend to publish a revised National Assurance Framework in December that reflects the changes outlined in the review and LEPs will therefore need to have fully implemented these changes by April if they are to be compliant and able to receive funding in the 2019/20 financial year.

I am looking forward to 2019 and the opportunities to extend all our efforts to drive local growth across the country.

341

RT HON JAMES BROKENSHERE MP

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**MINUTES OF THE MEETING OF THE INCLUSIVE GROWTH AND PUBLIC
POLICY PANEL HELD ON TUESDAY 4 SEPTEMBER 2018 AT COMMITTEE
ROOM A, WELLINGTON HOUSE, LEEDS**

Present:

Councillor Shabir Pandor (Chair)	Kirklees Council
Councillor Barry Collins	Calderdale Council
Councillor Debra Coupar	Leeds City Council
Councillor Cathy Scott	Kirklees Council
Nicola Greenan	Private Sector
Mike Hawking	Joseph Rowntree Foundation (JRF)
Professor Liz Towns-Andrews	Leeds City Region Universities

In attendance:

Britta Berger-Voigt	West Yorkshire Combined Authority
Khaled Berroum	West Yorkshire Combined Authority
James Flanagan	West Yorkshire Combined Authority
Liz Hunter	West Yorkshire Combined Authority
Ben Still	West Yorkshire Combined Authority
Steve Barnbrook	Calderdale Council
Paul Hayes	Wakefield Council
Kate McNicholas	Kirklees Council
Alex Watson	Leeds City Council

1. Apologies for absence

Apologies for absence were received from Peter O'Brien, Rob Webster and Councillor Denise Jeffrey.

It was noted that Wakefield Council are in the process of changing their nomination to the Panel from Councillor Denise Jeffrey to Councillor Darren Byford.

2. Declarations of Disclosable Pecuniary Interests

No interests were declared.

3. Possible exclusion of the press and public

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

4. Governance arrangements

The Panel considered a report on the governance arrangements agreed by the Combined Authority and invited the Panel to comment on the terms of reference and membership of the Panel. It was noted that there would be an opportunity, once the work programme of the Panel had been established, for membership to be reviewed.

Members expressed the need for future members to bring a new perspective and to come with a high profile to act as inclusive growth champions.

It was noted that the terms of reference were necessarily broad as the nature of the inclusive growth agenda cuts across many policy streams and the Combined Authority's intention is for the Panel to be wide ranging in the topics it considers.

Resolved:

- i) That the governance arrangements for the Inclusive Growth and Public Policy Panel, approved by the Combined Authority at its annual meeting on 28 June 2018, be noted.
- ii) That membership of the Panel be reviewed at a future meeting. It was noted that additional members should include a Voluntary Community Sector representative and a representative from Grant Thornton.

5. Achievements of the Inclusive Growth project

The Panel considered a report summarising the achievements of the inclusive growth project to date.

Members welcomed and noted the various achievements to date of partners across Leeds City Region in delivering Inclusive Growth activities. The need to understand the overall scale and complexity of the challenge, and maintain the focus on delivery in order to create a more socially inclusive economy, was also recognised.

Resolved:

- i) That the Panel notes the achievements of the inclusive growth project and within each partner authority and the Combined Authority.
- ii) That the Panel notes the scale and complexity of the challenge and the need for partners to maintain the focus on delivery in order to create a more socially inclusive economy.

6. Embedding Inclusive Growth across the City Region

The Panel considered a report providing information on how inclusive growth is being embedded across the emerging Policy Framework.

Discussions included:

- How inclusive growth is at the heart of the City Region's emerging wider policy framework. Members suggested adding a reference to the voluntary sector and considering the entire lower quartile of wages, not just the lowest and median wages, in order to determine a more accurate picture of wages.
- Re-shaping Combined Authority and LEP services and projects in order to drive inclusive growth, for example by changing the assessment criteria for the award of Business Growth Programme grants to encourage inclusive growth. It was suggested that any report on the impact of changes to criteria, and any new proposed changes to other grant programmes, should be brought to a future meeting.
- Panel members noted that under ERDF funding regulations businesses from the service and retail sector are not currently eligible for funding and expressed that future funding arrangements should be less restrictive and extended to all business growth programmes. However, concerns were raised about grant criteria might deter smaller businesses from applying. It was suggested that a report on the impact of grant criteria be provided at a future meeting. The Panel expressed a desire to revisit the grant criteria once their impact has been assessed. The Panel also requested that it should be consulted, along with the Business Innovation and Growth Panel, on potential future grant criteria.
- Inclusive growth activities being funded via the Business Rates Pool. It was suggested that any future impact analysis of the projects should be brought to a future Panel meeting.

Members were also asked to consider potential inclusive growth priorities and issues which could form the basis of a work programme. It was noted that the work programme should focused on delivery that is in the control of districts and the Combined Authority. The following issues and opportunities were raised and discussed:

- Driven by financial efficiency requirements, businesses and institutions are increasingly providing more of their services either partially, or wholly, online. The example of ongoing bank closures was cited and the adverse social impacts were noted for individuals without access, or the skills to access, service online. It was noted that the issue of getting everyone online had been highlighted as a key issue in the emerging Leeds City Region Digital Framework.
- A common 'good employers' framework was needed for public sector employers, covering business leadership, poverty standards, living wage pay, elements of the low pay charter and other commitments such as around offering specialist skills through volunteering. It was noted that this would help to refocus the debate away from economic output (i.e. number of jobs created) more towards the quality of jobs.
- Inclusive growth through a healthy workforce – economic growth and living standards are intrinsically linked to peoples' health. Preventing ill-health with the help of employers and public health partners is thus seen as a crucial element of inclusive growth.

In addition, Panel members express an interest in supporting emerging ideas such as the Inclusive Growth Corridor project that is currently being established by the Combined Authority. It was clarified that the "Inclusive Growth Corridors" are holistic approach that goes beyond individual transport connections. It was noted that the West Midlands are working on a similar idea with JRF and it was agreed that JRF would help to establish contact between officers from the two combined authorities. Members raised queries about planned corridors in their districts and officers suggested bringing back a more detailed item on Inclusive Growth Corridors for discussion to a future meeting.

The Panel agreed there was a need to establish a clearer evidence base of the scale and nature of the regional challenge of stubborn deprivation and economic growth not being inclusive enough. It was also suggested that the Combined Authority and other partners (e.g. local authorities, universities, colleges and schools) could usefully undertake an 'audit' of their work to establish a benchmark against which their future contribution to inclusive growth can be measured. To support this process, relevant indicators could be identified, with support from the higher education sector, for example on understanding the social return on investments made.

The Panel agreed to apply a strategic focus to its work. It was suggested that districts should report on their strategies and policies related to inclusive growth for the Panel to determine what can be up-scaled, supported or championed at a regional level. It was suggested that districts could provide inclusive growth updates at future meetings to assist the Panel's assessment.

Resolved:

- i) That the Panel notes the summary of how inclusive growth is embedded across the emerging Policy Framework and the projects that will drive inclusive growth.
- ii) That the Panel's initial suggestions for inclusive growth opportunities and issues should be considered at a future meeting as the basis of a work programme.
- iii) That an audit of the Combined Authority contribution to inclusive growth is undertaken and reported to a future meeting.

7. Business and inclusive employment

The Panel considered a report outlining existing work programmes and academic research into how businesses drive inclusive growth.

The Panel suggested that any work around improving productivity needs to also ensure good work as an outcome. Members mentioned the Poverty Truth Commission as a good way to identify the scale of the problem and as a means to engage businesses and workers to gain a better insight into lived experience at work.

The Panel agreed that it was vital to ensure that local authorities lead by example and certain core inclusive growth principles are embedded and realised by the authorities before they can be advocated wider. It was noted that other combined authorities (such as Greater Manchester and London) are already leading by example and developing 'Good Employment Charters' to promote to the region's businesses for them to agree to, sign up to and fulfil. An exercise that is made easier with the availability of elected Mayors and their 'soft power'.

Resolved: That the report be noted and the Panel's suggestions be considered further.

8. Forward Plan

The Panel considered the forward agenda plan and work programme.

It was agreed that facilitated informal workshops could allow wider input from partners, including from local communities, in order to shape and drive the work programme.

It was agreed that Bill Adams from the Trade Union Congress (TUC) be invited to a future meeting to present a discussion about the TUC's 'Great Jobs' aspirations for local authorities.

Resolved: That the Forward Plan be noted and amended as requested.

9. Date of the next meeting – 4 December 2018

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**MINUTES OF THE MEETING OF THE
BUSINESS INNOVATION AND GROWTH PANEL
HELD ON THURSDAY, 13 SEPTEMBER 2018 AT COMMITTEE ROOM
A, WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Andrew Wright (Chair)	Reliance Precision
Amir Hussain	Yeme Architects
Will Roebuck	E-Radar
Phillip Wilson	Slipstream Design
Simon Wright	Yorkshire Bank
Councillor Barry Collins	Calderdale Council
Councillor Andrew Lee	North Yorkshire County Council
Councillor Shabir Pandor	Kirklees Council
Steph Morris (Advisory Representative)	Innovate UK
Sandy Needham (Advisory Representative)	West & North Yorkshire Chamber of Commerce
Dr Peter O'Brien (Advisory Representative)	Yorkshire Universities
Professor Liz Towns-Andrews (Advisory Representative)	University of Huddersfield
Marie Gilluley (Advisory Representative)	West Yorkshire Consortium of Collegues
Martin Stow (Substitute)	Nexus

In attendance:

Roger Marsh OBE	Chair, Leeds City Region Enterprise Partnership
Sue Cooke	West Yorkshire Combined Authority
Henry Rigg	West Yorkshire Combined Authority
Sarah Bowes	West Yorkshire Combined Authority
David Shepherd	West Yorkshire Combined Authority
Julie Haigh	West Yorkshire Combined Authority
Marc Adams	West Yorkshire Combined Authority
Jonathan Skinner	West Yorkshire Combined Authority
Janette Woodcock	West Yorkshire Combined Authority

11. Apologies for Absence

Apologies were received from Martin Booth, Cllr Darren Byford, Cllr Roy Miller, Prof Lisa Roberts and Lee Savage.

12. Declarations of Disclosable Pecuniary Interests

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

13. Exclusion of the Press and Public

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

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

That the minutes of the Business Innovation and Growth Panel held on 24 May 2018 be approved and signed by the Chair.

15. Chair's Update

The Chair opened the meeting by welcoming Roger Marsh, Chair of the LEP Board and Julie Haigh, Private Sector Relationship Manager.

The Chair provided an update on NP11, a recent Select Committee appearance and the Autumn Budget submission.

Members were advised that Steph Morris, Innovate UK Regional Manager will be leaving her current role in October and she was thanked Steph for her work on the Business Innovation and Growth Panel. Recruitment for a new Member was underway but in the interim Dean Cook will be the Innovate UK representative on the Panel.

16. International Trade

The Panel considered a report on International Trade activity to date Which included:

- Trade Outlook
- International Trade Plan Progress
- Forward Plan 2018/19
- Outline Priorities for 19/20 Forward Plan

Current ideas for activity in 2019/20 include targeted activity on the city region's key sectors including showcasing at Arab Health 2020 and Valve World 2019, (both currently subject to evaluation of the current year's activity and identification of trade activity supporting the digital and creative sector) and development of trade activity focussed on target markets such as China, India, USA and Europe.

The Panel was asked to note the progress within the Trade Plan thus far and was asked for their comments and input into the development of key trade priorities and activities by 2019/20.

Resolved: That the contents of the report and the comments and input of the Panel be noted.

17. Inward Investment

The Panel considered a report on the Trade and Investment Plan that was presented to LEP Board in March 2018 and confirmed support for the direction of travel set out.

The Panel was also supportive of the positive progress on activities, including shortlisting for the Channel 4 National HQ.

Resolved: That the contents of the report and the progress within inward investment activities be noted.

18. Investor Development

The Panel was provided with a report on the new investor development team set up within the Trade and Investment team.

Marc Adams set the wider context and confirmed that some investor development had previously been carried out by local authorities and the Department for International Trade (Dft). For Leeds City Region Enterprise Partnership (LEP) to build on its growing reputation as a successful investment promotion agency, the addition of an investor development function will strengthen the City Region as a location in which to do business.

The Panel was supportive of the progress on the investor development activity reported above.

Resolved: That the contents of the report on the new investor development team be noted.

19. Digital Framework

The Panel considered a report and presentation to inform members about the Digital Framework consultation which launched in early July 2018 and is due to formally close on Friday 14 September 2018. The presentation set out some of the key statistics, emerging feedback and next steps.

Resolved: That the contents of the report and presentation be noted.

20. Strength in Places Fund

The Panel considered a report to inform about a series of LEP supported bids into the Strength in Places Fund.

Led by UK Research and innovation, Strength in Places Fund is a new competitive funding scheme that takes a place-based approach to research and innovation funding, to support significant regional growth.

The Panel was noted the content of the report and welcomed further investment into the City Region's innovation assets to help drive future growth.

Resolved:

- (i) That the contents of the report be noted.
- (ii) That the Panel welcomed further investment into the City Region's innovation assets to help drive future growth.

21. Business Basics Fund

The Panel considered a report to inform the City Region's response to a competition funded by the Department for Business, Energy and Industrial Strategy (BEIS), and run by Innovate UK, to improve productivity in low-to-mid productivity firms by encouraging adoption of existing technologies and business practices associated with more productive firms in similar sectors.

The Panel supported the City Region's proposal for Innovate UK's business basics fund and discussed how this might be refined/targeted to meet the needs of the City Region's low-to-mid productivity firms.

Resolved: That the contents of the report and outcome of the discussion be noted.

22. Business Support

The Panel considered a report to update on business support activity being undertaken, including the LEP Growth Service, the Business Growth Programme, the Resource Efficiency Fund, Access Innovation, Strategic Business Growth, the Travel Plan Network and the Northern Powerhouse Investment Fund.

The Panel noted the progress made to date on delivery of the business support projects, programmes and services and endorsed the proposed change to the Business Growth Programme Policy related to multiple applications as set out in the report.

Resolved:

- (i) That the contents of the report be noted.
- (ii) That the proposed changes to the Business Growth Programme policy related to multiple applications be endorsed.

23. Strengthened Local Enterprise Partnerships

The Panel considered a report to inform of the implications of Government's 'Strengthened Local Enterprise Partnerships (LEPs)' report presented by the LEP Chair.

Roger Marsh, Chair of the Leeds City Region LEP, asked the Panel to provide

views to inform the LEP Board's response, which will be agreed at its meeting on 20 September.

Resolved:

- (i) That the contents of the report be noted.
- (ii) That the views of the Panel be noted.

24. Governance Arrangements

The Panel was presented with a report and asked to note the governance arrangements and Terms of Reference for the Business Innovation and Growth Panel approved by the Combined Authority at its annual meeting on 28 June 2018.

Resolved: That the Governance Arrangements and Terms of Reference be noted.

25. Date of next meeting

27 November 2018 at 2:00 pm in Committee Room A, Wellington House, Leeds.

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**MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE
HELD ON FRIDAY 14 SEPTEMBER 2018 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, LEEDS**

Present:

Councillor Robert Light (Chair)	Kirklees Council
Councillor Stephen Baines MBE	Calderdale Council
Councillor Jenny Brooks	City of York Council
Councillor Glenn Burton	Wakefield Council
Councillor Ashley Evans (substitute)	City of York Council
Councillor Dot Foster	Calderdale Council
Councillor Richard Forster (substitute)	Wakefield Council
Councillor Tina Funnell	City of York Council
Councillor Faith Heptinstall (substitute)	Wakefield Council
Councillor David Jenkins	Leeds City Council
Councillor Paul Kane	Kirklees Council
Councillor Sarfraz Nazir	Bradford Council
Councillor Marielle O'Neill	Kirklees Council
Councillor Mike Pollard	Bradford Council
Councillor Denise Ragan	Leeds City Council
Councillor Ann Reid (substitute)	City of York Council
Councillor Rosie Watson	Bradford Council

In attendance:

Steve Barnbrook (minute 19)	Calderdale Council
Councillor Jenny Lynn (minute 19)	Calderdale Council
Khaled Berroum	West Yorkshire Combined Authority
Sue Cooke (until minute 17)	West Yorkshire Combined Authority
Henry Rigg (until minute 17)	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority

10. Apologies for absence

Apologies for absence were received from Councillors James Baker, Ian Cuthbertson, Graham Isherwood and Betty Rhodes.

11. Declarations of Disclosable Pecuniary Interests

No interests were declared.

12. Possible exclusion of the press and public

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

13. Minutes of the meeting held on 24 January 2018

Resolved: That the minutes of the meeting held on 13 July 2018 be approved.

14. Governance arrangements

The Committee was provided with confirmation of substitute members appointed since the last meeting. It was reported that other outstanding substitute nominations were currently going through the formal nomination process.

Resolved: That the confirmation of substitute members appointed since the last meeting be noted.

15. Scrutiny Work Programme

The Committee considered the Scrutiny Work Programme for the 2018/19 municipal year.

The Committee was informed that the Ministry of Housing, Communities and Local Government and Centre for Public Scrutiny are aiming to collate feedback regarding new scrutiny guidance by the end of September 2018. Members were asked to complete the questionnaires circulated to them and return them to the Scrutiny Officer.

Members suggested that the Transport Working Group consider the Joseph Rowntree Foundation's recently published report entitled 'Tackling transport-related barriers to employment in low-income neighbourhoods'.

It was clarified that external bodies and non-members can be invited to participate in working group meetings and the scope and operating procedure of working groups was currently under review.

Resolved:

- i) That the agenda for the 2018/19 municipal year's meetings as outlined in Appendix 1 be approved.
- ii) That workshops involving members and substitutes be arranged to discuss and consider the review of scrutiny arrangements.
- iii) That the issue of productivity be considered further in detail in a workshop setting as a standalone item.
- iv) That the Transport Working Group consider the Joseph Rowntree Foundation's report 'Tackling transport-related barriers to employment in low-income neighbourhoods' at a future meeting.

16. Ministerial review of Local Enterprise Partnerships (LEPs) – Leeds City Region response

The Committee considered a report outlining the background, findings and implications of the recent ministerial review of Local Enterprise Partnerships (LEPs) and received a further verbal update on the latest progress relating to the Leeds City Region position and response.

After questions and discussion, the Committee learned that:

- Early discussions between the Leeds City Region and York, North Yorkshire & East Riding LEPs had been positive, recognising the economic case for a LEP covering West Yorkshire, York and North Yorkshire.
- Details around operational, corporate and governance arrangements were still under discussion and would be progressed as final proposals are agreed. The two LEPs currently have different operating and governance arrangements in place.
- Further clarity on North Yorkshire and York's position was expected after the York, North Yorkshire & East Riding LEP Board met that same morning on 14 September 2018.

The Committee noted the government's position that they will 'encourage areas to move towards coterminous LEP and mayoral combined authority boundaries' and their recognition that 'this will not be possible in all cases'.

After further discussion, the Committee agreed that:

- Any geographical outcome arising from discussions should not become a long term obstacle to devolution.
- Although, there were legitimate economic and strategic reasons for the current geographical overlap between the LEPs, the government's position seeking to eliminate overlaps going forward was supported.
- Resolving the existing overlap between Leeds City Region and North Yorkshire and bringing together two separate organisations with different cultures and operating models is a challenge that must be carefully approached in a unifying, cooperative manner.
- The use of unifying, cooperative language is equally important in gaining the support of the business community, the public and elected members.
- It is important that there is fair representation for all member councils in any governance arrangements and assurance processes.
- The review's requirement that LEP Boards be a maximum of 20 persons (with 5 additional sectoral co-optees) and comprise of two-thirds private

sector members presents an additional challenge to ensuring all member councils are fairly represented.

- If fair representation was not possible at a LEP Board level, it is increasingly important to ensure there is fair representation on panels and committees reporting to the LEP Board.
- A newly constituted LEP review scrutiny working group could help to resolve any differences between the concerned parties and that North Yorkshire and York members should be invited to participate in the working group if possible.
- The LEP should consider frequently engaging more directly with all district councils, members, and scrutiny committees within their LEP area in future – not just the accountable body – to ensure all councils can contribute to developing the LEP's policies and programmes.

The Committee **concluded** that:

- The current preference to unite the Leeds City Region, York & North Yorkshire LEP areas, with the West Yorkshire Combined Authority as the accountable body, be supported.
- A West Yorkshire LEP, geographically coterminous with the West Yorkshire Combined Authority as accountable body, be recommended for consideration as the alternative option.

Resolved:

- i) That the findings of the ministerial review of LEPs and the current Leeds City Region position be noted.
- ii) That the current preference to unite the Leeds City Region, York & North Yorkshire LEP areas, with the West Yorkshire Combined Authority as the accountable body, be supported.
- iii) That a West Yorkshire LEP, geographically coterminous with the West Yorkshire Combined Authority as accountable body, be recommended for consideration as the alternative option.
- iv) That the 'SEP Working Group' be reconstituted as the 'LEP Review Working Group' and be assigned the tasks of:
 - (a) Engaging with and monitoring the LEP's implementation plan with a focus on ensuring governance, assurance and scrutiny arrangements are robust, transparent and beneficial to all parties
 - (b) Scrutinising the development of the Assurance Framework and risk management processes in compliance with new government guidance

- (c) Scrutinising the development of the Local Inclusive Industrial Strategy and policy framework, with a focus on measuring outcomes and performance indicators
- (d) Engaging with North Yorkshire and York scrutiny members

17. Business grants

The Committee considered a report providing an update on business grant activity and programmes being delivered or part funded by the Combined Authority since last reporting on 24 January 2018.

After questions and discussion, the Committee learned that:

- The new Apprenticeship Grant for Employers (AGE) programme, which commenced in August 2018, differs from the previous iteration of the programme in that, with less available funding, the new programme will focus only on smaller businesses that have not previously had an apprentice and in specific subjects linked to priority sectors where there are skill shortages.
- Micro businesses (with fewer than 9 employees) are eligible for apprenticeship funding as long as they can provide the right educational environment and support for the apprentice to complete qualifications.
- The working definition of productivity that the proposed Productivity Pilot will use is the definition used by the Office of National Statistics (ONS). Businesses in the pilot will be asked to use the ONS's productivity measurement tool as a condition of funding at the start and end of their investment projects to enable a consistent approach to measuring the impact of the funding on each grant recipient.
- The Inclusive growth criteria were developed by the LEP and Combined Authority for the Business Growth Programme (BGP) and have not been extended to all business grants schemes.
- After a period of consultation on the principles of inclusive growth criteria, the Combined Authority and LEP agreed to evaluate the effectiveness of inclusive growth criteria which were ultimately adopted for the BGP programme over a six-month period, with a progress report due in February 2019.
- Some business grants programmes are focused on outcomes other than job creation. The Resource Efficiency Fund has a focus on environmental targets and outcomes around reducing carbon emissions and Access Innovation is focused on the development of new products and processes.
- In Appendix 2, the 'N/A – not applicable' figure for jobs created for the Apprenticeship Grant for Employers ('AGE II') is because the programme had only just restarted (in mid-2018) and has not yet begun producing outputs. The previous iteration of the programme which ended in mid-

2017 ('AGE I') produced 3,344 apprenticeships from 2,924 grants to businesses.

- In Appendix 2, the '0' figure for jobs created for the Digital Enterprise programme is due to outputs only being determined by external partners (Leeds City Council) delivering the programme 12 months after investment. The '1,156.6' proposed jobs figure included in Appendix 2 relates to the jobs that the businesses on the programme collectively expect to create over the next two years. The actual contracted jobs target for the LEP's share of funding was 75 jobs and Leeds City Council colleagues had confirmed that those 75 jobs have now been created and the target achieved.
- In Appendix 2, the gap between actual jobs and proposed / target jobs was due to a technicality of reporting mechanisms. Some grant programmes report outputs after 12 months of activity, others are compiled by partners (such as Leeds City Council) before being shared with the Combined Authority. Officers were optimistic that by the end of the monitoring life cycles of the programmes, the targets would be met. For future reports, officers proposed to divide statistics between jobs created from projects that have ended and those still in delivery.
- The government has committed to protecting funding for European funded programmes until 2021 and Combined Authority officers have proactively sought to bid for European funding again in 2019 to ensure successful programmes can be continued and new ones can be introduced. This includes programmes focusing on recycling and the 'circular economy'.
- Leeds City Council was the only applicant to deliver the administrative grant-appraisal element of smaller BGP grants (under £50,000). Other partner councils expressed satisfaction with Leeds City Council's delivery of that element of the BGP programme on behalf of all Leeds City Region councils to date.

After further discussion, the Committee agreed that:

- Inclusive growth and commitments around disabilities, mental health and wellness at work should be a central feature of all criteria for business grants programmes and should not be limited to larger grant awards or be relegated to an option from a wider list of possible commitments.
- Greater consideration should be given to strengthening environmental commitments in core criteria, target outputs and outcome evaluation for grant programmes in future.
- A business grant / support scheme aiming to promote sustainable recycling and reduce use of non-recyclable materials should be considered for development.

- Although external funding requirements necessitate a large focus on meeting spending targets and measuring numerical outputs such as jobs created, the Committee is keen to see a greater emphasis on monitoring and evaluating the outcomes arising from outputs. For instance, determining how many of the 3,344 apprenticeships created have led to full time, meaningful jobs in key sectors.
- Outcome reports should be produced for each programme upon their completion to allow scrutiny members to better assess value for money and whether there have been, or likely to be, positive, long-lasting changes for local communities.
- It would be useful to compare Leeds City Region's performance against other combined authority and LEP areas, such as Greater Manchester and Sheffield City Region, subject to available data of comparable programmes.
- It would be useful to include a breakdown of funding sources for each programme and the associated risks related to funding in future reports.
- Data should be collated as frequently as possible and there should be closer monitoring of outputs and performance, especially where third parties are involved in delivery, to ensure that data is as current as possible.

In conclusion, the Committee **recommended**:

- That work should begin on exploring the extension of inclusive growth criteria to all current and future business grant programmes at all grant award levels and conclusions reported back to the Overview & Scrutiny Committee.
- That, upon the conclusion of a business grant programme, a full outcomes report for each programme be produced for the Overview & Scrutiny Committee focusing on, but not limited to, inclusive growth, productivity, job creation, innovation, and environmental outcomes.

Resolved:

- i) That the following recommendations be made:
 - 1st) That work should begin on exploring the extension of inclusive growth criteria to all current and future business grant programmes at all grant award levels and conclusions reported back to the Overview & Scrutiny Committee.
 - 2nd) That, upon the conclusion of a business grant programme, a full outcomes report for each programme be produced for the Overview & Scrutiny Committee focusing on, but not limited to, inclusive growth, productivity, job creation, innovation, and environmental outcomes.

- ii) That the report and developments since 24 January 2018 be noted and a further report on business grants be brought back to a future committee meeting so that the Committee can monitor progress against recommendations, outputs and outcomes.

18. Business planning and budget 2019/20

The Committee considered a report on the work underway to progress business and budget planning for 2019/20.

After questions and discussion, the Committee learned that:

- The Combined Authority maintains a corporate risk register under the RAG (red, amber, green) system, which a scrutiny working group contributed to developing in the past. The risk register is reviewed and updated periodically and after new decisions are taken.
- There are some contingencies in place to support the bus network in the event that one of the larger bus operators ceases to operate very suddenly. The Combined Authority has pursued a policy of seeking to increase competition for bus tenders in order to strengthen market resilience.
- Fuel prices and inflation that ultimately impact on concessionary reimbursement and bus tendered services are taken into account in risk assessments and in setting reserves policy, but are ultimately outside the Combined Authority's control.
- Work is under way to reduce the amount of bus service subsidies by finding efficiencies in routes, reducing operating costs and periodically reviewing currently subsidised routes to reassess their commercial viability and whether they still require subsidies.
- The Enterprise Zones programme is a priority area for the Combined Authority due to the potential revenue arising from business rates receipts. A new internal Combined Authority team has been created to deliver the Enterprise Zones programme in partnership with delivery teams in each partner council. Further information on the programme can be provided in the budget report at the next meeting.

The Committee **concluded** that:

- It expected full risk assessments to be undertaken for any significant policy decision prior to the decision being made, to give decision makers and members an accurate picture of potential risk and details of planned interventions that might be necessary to mitigate the identified risks.

Resolved: That the report be noted and the Committee's suggestions be considered further.

19. "West Yorkshire... and beyond: Calderdale Council's contribution to the Combined Authority"

The Committee was presented with the findings and recommendations of a scrutiny review conducted jointly by Calderdale Council's scrutiny boards into Calderdale Council's engagement with, and contribution to, the West Yorkshire Combined Authority. The item was presented by Councillor Jenny Lynn of Calderdale Council's Strategy and Performance Scrutiny Board.

The Committee welcomed the review and suggested that all partner councils periodically review their engagement with, and contribution to, the West Yorkshire Combined Authority as an integral two-way, mutual appraisal process which will drive improvements in partnership working.

The Committee also agreed that district scrutiny committee work programmes should take into account the Combined Authority's policies, programmes and decisions and suggested that this Committee consider holding meetings in other districts.

The Committee supported the review's recommendations to the Combined Authority (as outlined in Appendix 1 of the report).

Resolved:

- i) That the findings of the review be noted and welcomed.
- ii) That the review's recommendations to the Combined Authority, as outlined in Appendix 1 of the report, be supported.

20. Summary of recommendations arising from this meeting

- 1st) That work should begin on exploring the extension of inclusive growth criteria to all current and future business grant programmes at all grant award levels and conclusions reported back to the Overview & Scrutiny Committee.
- 2nd) That, upon the conclusion of a business grant programme, a full outcomes report for each programme be produced for the Overview & Scrutiny Committee focusing on, but not limited to, inclusive growth, productivity, job creation, innovation, and environmental outcomes.

21. Date of the next meeting – 16 November 2018

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**MINUTES OF THE MEETING OF THE
GREEN ECONOMY PANEL HELD ON TUESDAY, 23 OCTOBER 2018
AT COMMITTEE ROOM A, WELLINGTON HOUSE, 40-50 WELLINGTON
STREET, LEEDS**

Present:

Simon Pringle (Chair)	Project Rome
Natasha Luther-Jones	DLA Piper LLC
Councillor Jenny Lynn	Calderdale Council
Councillor Andrew Waller	City of York Council
Jim Cardwell (Advisory Representative)	Northern Powergrid
Rosa Foster (Advisory Representative)	Environment Agency
David Gill (Advisory Representative)	Northern Gas Grid

In attendance:

Martin Farrington	West Yorkshire Local Nature Partnership
Wallace Sampson	Harrogate Borough Council
Alan Reiss	West Yorkshire Combined Authority
Jacqui Warren	West Yorkshire Combined Authority
Noel Collings	West Yorkshire Combined Authority
Jo Barham	West Yorkshire Combined Authority
Ruth Chaplin	West Yorkshire Combined Authority
Megan Hemingway	West Yorkshire Combined Authority

10. Apologies for Absence

Apologies for absence were received from Councillors Maureen Cummings, Sarah Ferriby, James Lewis and Andrew Cooper and Dr Alice Owen, Nevil Muncaster, William Firth and John Williams.

11. Declarations of Disclosable Pecuniary Interests

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

12. Exempt Information - Exclusion of the Press and Public

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

13. Minutes of the Meeting of the Green Economy Panel held on 17 April 2018

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

14. Chair's Update

The Chair reminded the Panel of the requirement for meetings to be quorate and, for clarification, the membership and voting rights of the Panel members was outlined.

LEP Review

The Chair gave an update on the Leeds City Region Enterprise Board (LEP) Review and the discussions which had been held at the LEP Board. It was noted that a proposal that complied with the Government's requirements had been submitted and a response was awaited.

The Panel was made aware that a report on Local Inclusive Industrial Strategy (LIIS) and the wider policy framework would be brought to the next meeting in January 2019.

Julie Haigh was introduced to the Panel and she outlined her role as liaison officer for the private members and as support for Roger Marsh, Chair of the LEP.

Proposal to Change Panel Name

It was noted that the Chair of Green Economy Panel felt that the term 'Green' may be viewed as outdated by some and that it may not reflect the Panel and its role. Members were asked to consider and feedback suggestions for an alternative name and this would be given further consideration at the next meeting.

15. Local Inclusive Industrial Strategy

The Panel considered a report which provided an update on the development of the Local Inclusive Industrial Strategy (LIIS), informed by the outcome of the LEP Board away day held on 20 September 2018.

The Panel discussed the draft Policy Framework and LIIS in detail and it was considered that it should be more ambitious in respect of de-carbonisation. Members also stressed the need for funding to fill gaps in vocational training for post-14 year old students and that fracking must not be part of the strategy.

The Panel was advised that there are existing 'Re-100' businesses based in the City Region who have a target to buy all their electricity from 'green' sources by 2030. It was suggested that the Combined Authority link up with these businesses to achieve shared goals.

Members were advised that work was being undertaken to revise the draft Policy Framework and LIIS, including decarbonisation of all the economy and contributing to national commitments to tackling climate change. This will be circulated to Panel members.

A progress report and revised draft strategy would be brought to the next meeting.

Resolved:

- (i) That the update on the Local Inclusive Industrial Strategy (LIIS) and the key actions agreed by the LEP Board be noted.
- (ii) That the revised draft strategy be circulated to the Panel and a progress report brought to the next meeting.

16. Green and Blue Infrastructure Strategy and Delivery Plan

The Panel considered a report and received a presentation on the development of the Leeds City Region Green and Blue Infrastructure Strategy and Delivery Plan.

Members were asked to endorse the Strategy and Delivery Plan and they were given the opportunity to comment and ask questions and a full and detailed discussion was held. This included:

- The delivery of strategy which had been delayed due to resource constraints. It was stressed that appropriate resources must be provided.
- The benefits of the plan which would have a correlation to public health.
- It was recognised that transport programmes will play a key role in delivery.
- To be mindful that Brexit may have an impact.
- Effective monitoring and collation of a robust evidence base is also needed to show the impacts of the proposed work.

It was noted that further work would be undertaken to identify staffing and financial implications in order to deliver the projects identified in the Delivery Plan.

Resolved: That the Green and Blue Infrastructure Strategy and Delivery Plan be endorsed and recommended to the LEP Board and Combined Authority.

17. Energy Strategy and Delivery Plan

The Panel considered a report and received a presentation on the development of the Leeds City Region Energy Strategy and Delivery Plan (ESDP).

It was noted that the ESDP would contribute to achieving the key challenges of the Local Inclusion Industrial Strategy and was made up of the following four work packages:

- Energy state of the Leeds City Region.
- Technology Options Available.
- Energy Opportunity Areas.
- Delivery Plan.

A summary of each package was set out in the submitted report and Members discussed the headline outputs of the energy state of the Leeds City Region work packages, an overview of the key findings was attached at Appendix 2.

In respect of the science based targets, the paper proposed exploring and adopting a regional carbon reduction target in line with the Paris Climate Change Agreement of limiting temperature rises to below 2 degrees Celsius. Members supported the need to work towards setting regional carbon reduction target in line with the Paris Agreement. They acknowledged that might need to evolve as the science does. It was also noted that the current delivery mechanisms (i.e. Energy Accelerator, Energy Hub) alone will not enable the proposed targets to be fully achieved. Further work is now planned to help the LEP and Combined Authority consider adopting such a regional target, including stakeholder engagement and a possible City Region event next year.

Wallace Sampson, as the Chief Executive lead for Energy in the City Region, made the Panel aware of the work he is leading on for the Yorkshire and Humber Chief Executives. A paper was presented to their last meeting summarising current energy related work and future opportunities. The Chief Executives have agreed to develop a Yorkshire and Humber energy vision. This will be based on the results of the various LEP's emerging Energy Strategies. Work will also be fully aligned with the new North East, Yorkshire and Humber Energy Hub and regional opportunities identified.

Resolved:

- (i) That the Energy Strategy and Delivery Plan be endorsed and recommended to the LEP Board and Combined Authority.
- (ii) That it is recommended that the LEP and Combined Authority explore and work towards setting a regional carbon reduction target in line with the Paris Agreement.

18. Future Funding

The Chair outlined that the Future Funding report was a paper which would regularly come back to the Panel to ensure major projects and new funding opportunities were regularly discussed at the meeting.

Resolved:

- (i) That the report be noted.
- (ii) That update reports be provided at future meetings.

19. Major Projects Update

The Panel considered a report which provided an update on progress against the following Green Economy Panel's major projects and programmes:

- Energy Accelerator.
- Better Homes Yorkshire.
- Warm Homes Fund Bid Round 2a.
- Resource Efficiency Fund.
- District Heat Network (DHN) Programme.
- North East, Yorkshire and Humber Energy Hub.
- Hydrogen 21 (H21).
- Green GB Week.
- Clean Air Strategy Consultation Response.

In preparation for the establishment of the Accelerator, a team of expert advisors have been procured by the West Yorkshire Combined Authority (Combined Authority). They will provide three commercial sector leads and one cross sector technical lead to work on the Accelerator. They will be supported by a wide pool of experts that can be called upon depending on the projects in need of support through the Accelerator. A report will be brought to the next meeting on some proposed changes needed to the Accelerator's Advisory Group.

In respect of Hydrogen 21 (H21), it was reported that a H21 Leaders Event had been held in September. A booklet was circulated at the meeting for Member's information. An update would be provided at the next meeting.

A new H21 North of England report is due to be launched on 23 November. The H21 North of England presents a detailed engineering solution for converting the gas networks across the North of England to hydrogen.

Members were advised that work continued to establish the new North East, Yorkshire and Humber Energy Hub and a new part time officer had been appointed to support the Hub projects within the Leeds City Region. It was suggested that they be invited to the next meeting.

Members requested further information in respect of the Resource Efficiency Fund (REF). Councillor Lynn also advised the meeting that there is a new ERDF Priority Axis 4 (low carbon) call currently out.

Resolved:

- (i) That the progress against the Green Economy Panel's major projects and programmes be noted.

20. Date of Next Meeting

29 January at 4pm in Committee Room A, Wellington House

DRAFT

MINUTES OF THE MEETING OF THE PLACE PANEL HELD ON WEDNESDAY, 24 OCTOBER 2018 AT COMMITTEE ROOM A - WELLINGTON HOUSE, LEEDS

Present:

Councillor Tim Swift MBE (Chair)	Calderdale Council
Councillor Susan Hinchcliffe	Bradford Council (from minute 8)
Councillor Richard Foster	Craven District Council
Councillor Richard Lewis	Leeds City Council
Councillor John Mackman	Selby District Council
Councillor Daniel Sutherland	Calderdale Council
Amir Hussain	Yeme Architects (from minute 7)
Dilys Jones	Homes England

In attendance:

Ben Still	West Yorkshire Combined Authority
Alan Reiss	West Yorkshire Combined Authority
Kate Thompson	West Yorkshire Combined Authority
Judith Furlonger	West Yorkshire Combined Authority
Noel Collings	West Yorkshire Combined Authority
Michael Long	West Yorkshire Combined Authority
Neville Ford	West Yorkshire Combined Authority
Ruth Chaplin	Wakefield Council
Megan Hemingway	West Yorkshire Combined Authority
	West Yorkshire Combined Authority

1. Apologies for absence

Apologies were received from Councillors Rebecca Burnett, Helen Douglas, Denise Jeffrey, Andrew Lee, Peter McBride, Roy Miller and Alex Ross-Shaw and Jacqui Gedman, Andrew Latchmore and Matthew Walker.

2. Declarations of Disclosable Pecuniary Interests

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

3. Exempt Information - Exclusion of the press and public

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

4. Governance arrangements

The Panel considered a report on the governance arrangements for the Place Panel which is a new advisory committee.

The Terms of Reference were attached at Appendix 1 and it was noted that the Panel's functions would cover those previously carried out by the Land and Assets Panel and the Planning Portfolios Board. The Panel would promote **quality of place** in the Leeds City Region.

Resolved: That the governance arrangements for the Place Panel be noted.

5. Chair's Update

The Chair welcomed members to the first meeting of the Panel.

It was noted that the Panel had held a workshop on 2 October 2018 and the following key points were discussed:

- What makes great places and the need to identify good examples and case studies.
- The need to keep up to date with the Local Plan positions across the City Region.

The Chair highlighted that meetings will be held quarterly and proposed that in the event the Panel identify issues/topics for further discussions it may be beneficial for additional workshops to be arranged.

6. Leeds City Region Housing Vision

The Panel considered a report which sought endorsement of the Leeds City Region Housing Vision.

In discussing the key themes of the Vision, which was attached at Appendix 1, it was acknowledged that:

- There was a need to build on existing Partnerships.
- Transport was key to connect neighbourhoods and to unlock sites.
- The target of 65'000 new homes over the next 5 years was required to support economic growth.

Members discussed the percentage of Affordable Housing within the new homes target, the option of Modular Builds and whether there was an appetite for these. It was noted that there are recent instances of some house builders buying their supply chain to expedite delivery of new homes.

It was reported that Councillor Swift, the Chair of the Panel, had been invited to present a keynote speech at the Brownfield Redevelopment: North Conference on 7 November 2018. It was considered that this would provide an opportunity to include and reference the Housing Vision in the presentation.

Resolved:

- (i) That the Leeds City Region Housing Vision be endorsed.
- (ii) That the Housing Vision be included and referenced in the presentation to the Brownfield Redevelopment: North Conference on 7 November 2018.

7. Leeds City Region Strategic Sites Pipeline

The Panel considered a report on the Leeds City Region Strategic Sites Pipeline.

It was noted that the report will be a 'live' document and would be updated and used as a tool to monitor the delivery of the pipeline. A copy of the pipeline was attached at Appendix 1 and this had been developed with input from all the Leeds City Region districts.

The pipeline list will track investments in the pipeline and explore gaps in resource where delivery can be assisted. It identifies those sites which are strategic in nature and which require additional investment or resource to expedite delivery.

It was proposed that 6 monthly updates and an annual monitoring report be prepared for future meetings of the Panel.

Resolved:

- (i) That the detail of the Leeds City Region Strategic Sites Pipeline report be noted.
- (ii) That six monthly updates and an annual monitoring report be brought to future meetings of the Panel.

8. Energy Strategy and Delivery Plan

The Panel considered a report which provided an update on the Leeds City Region Energy Strategy and Delivery Plan.

Members discussed the report and its appendices and it was noted that:

- Different technologies were being considered.
- There was still a need for site surveys.
- Local Planning rules and regulations still took precedence.
- The Paris Climate Change CO₂ emissions target (2%) was now superseded by the IPCC Report (1.5%).
- Existing projects and Government initiatives met over 60% of the target.
- Further investment will be required to meet targets.

The Panel endorsed the Energy Strategy and Delivery Plan and recognised the importance of having a strategy in place. They were supportive of setting a Science-based carbon dioxide (CO₂) emissions reduction target for the City Region. It was requested that a report on the development of the setting of the reduction target be brought to a future meeting. The following additional comments were made:

- What it would entail to bridge the gap between the Paris and IPCC targets and should the Combined Authority be ambitious by adopting the 1.5% target.
- There is a need for an increased uptake of Green Energy tariffs from wholesalers and perhaps councils leading by example.
- There should be a use of existing supply chains where possible.
- Why was wind energy not identified.
- There is a risk associated with the investment in competing energies of hydrogen and electric.
- These energies are being explored on both a regional and national level by suppliers and transport providers.
- The number of projects in the report presented a significant challenge, both in terms of new builds and more notably in retro-fitting existing properties.

It was reported that the Energy Strategy and Delivery Plan would be considered by the LEP Board and Combined Authority.

Resolved:

- (i) That the contents of the Energy Strategy and Delivery Plan be noted.
- (ii) That a report on the development of a carbon dioxide emission reduction target be brought to a future meeting.

9. Green and Blue Infrastructure Strategy and Delivery Plan

The Panel considered a report which provided an update on the development of the Green and Blue Infrastructure Strategy and Delivery Plan.

Members discussed the plan which had been developed following the Boxing Day floods 2015 and a copy was attached to the report. It was recognised that post-Brexit support for an agricultural and environment policy was important and the need to work with partners and Yorkshire Water was highlighted.

The need to secure resource to deliver the plan was acknowledged and further work will be undertaken in respect of the financial and staffing implications.

It was reported that the Green and Blue Strategy and Delivery Plan would be considered by the LEP Board and Combined Authority.

Resolved: That the Green and Blue Infrastructure Strategy and Delivery Plan be noted.

10. Statement of Common Ground and Strategic Planning Review

The Panel considered a report on the Statement of Common Ground and Strategic Planning Review.

Members discussed the draft Leeds City Region Statement of Common Ground and Leeds City Region Planning Review Recommendations which were attached as Appendices 1 and 2 to the submitted report.

It was noted that the Statement of Common Ground was designed to reflect strategic cross-boundary planning matters and that local planning authorities were working together. The Strategic Planning Review had been updated to reflect changing governance arrangements and progress made in respect of cross-boundary working. Details of the key changes were outlined in the submitted report and the Panel was advised that these had been endorsed by Leeds City Region Heads of Planning and Directors of Development.

Resolved:

- (i) That the Statement of Common Ground be endorsed and recommended to the Combined Authority for approval.
- (ii) That the Strategic Planning Review be endorsed and recommended to the Combined Authority for approval.

11. Duty to Cooperate

The Panel considered a report on the Duty to Cooperate.

The meeting was attended by Neville Ford, Wakefield Council's Service Manager, Planning and Transportation Policy who presented a report which provided an update on the preparation of the Wakefield District Local Plan 2036. This set out the activities Wakefield Council is undertaking as the plan progresses to discharge its responsibilities under the Duty to Cooperate.

It was noted that the need to plan was key to Inclusive Economic Growth and there was support from all members to improve place.

The Panel welcomed the document and endorsed the approach to the Duty to cooperate. Members were asked to provide any comments in respect of the Strategic Issues Table which was attached to the report by 30 November 2018.

Resolved:

- (i) That the approach to the Duty to Cooperate be endorsed.

- (ii) That comments in respect of the Strategic Issues Table attached at Appendix 1 be provided by 30 November 2018.

12. One Public Estate (Phase 7) Invitation to Apply

The Panel considered a report on the One Public Estate (Phase 7) Invitation to Apply.

Members were informed that the invitation to apply for One Public Estate (OPE) Phase 7 funding was released on 28 September 2018 with a deadline for submissions by 30 November 2018.

The Panel agreed that the Combined Authority work with district partners that wish to apply for Phase 7 funding and that the Combined Authority co-ordinate the funding application.

It was agreed that the Chair of Place Panel, with the Leeds City Region Chief Executive Lead for Housing and Planning and the Combined Authority's Managing Director approve the final bid application by the OPE partnership by the submission deadline.

Resolved:

- (i) That the Combined Authority work with One Public Estate district partners that wish to apply for Phase 7 funding and that the Combined Authority co-ordinate the funding application.
- (ii) That the Chair of the Place Panel, in liaison with the Leeds City Region Lead for Housing and Planning and the Combined Authority's Managing Director, agree the final application for endorsement and submission by the Combined Authority by the submission deadline.

13. Homes England Update

Dilys Jones provided the Panel with a verbal update on Homes England (HE) investment programmes which support delivery of new homes in the Leeds City Region.

It was noted that:

- In total over £30m was invested by HE in the City Region 2017/18. Delivering over 1000 starts and 1083 completions.
- HE expects a minimum spend of £27.4m in 2018/19 in a number of programmes including Affordable Housing 2016-21, Land Investment and Housing Infrastructure Funding bids.
- Rental housing was back on the agenda as a means to provide affordable housing in the North.
- Funding was available for providing homes for older and vulnerable people.
- There had been land transfer issues but HE was not interested in ownership and instead aimed to unlock land for development.

The ability of Housing Associations to be flexible and to provide mixed tenure schemes was noted together with the lack of housing renewal programmes to respond to viability issues on challenging sites and schemes.

Resolved: That the Homes England update be noted.

14. Governance arrangements for the Leeds City Region Enterprise Zones Programme

The Panel considered a report on the proposed change to Governance arrangements for the Leeds City Region Enterprise Zone Programme.

The report provided an overview of the Leeds City Region Enterprise Zone programme which includes two Enterprise Zone (EZ) designations, comprising of ten sites.

It was noted that in 2016 the Combined Authority had set up a Strategic Oversight Board which was responsible for establishing a shared vision for the Enterprise Zones but this did not have decision making capacity. The Combined Authority has identified the need to prioritise the accelerated delivery of the EZ programme and a review of governance arrangements had been undertaken to ensure there was a structure able to make strategic and operational decisions.

Members discussed the proposed governance structure which was outlined in the submitted report. They endorsed the recommendations but stressed the importance of the Panel and LEP board being provided with progress reports. It was reported that the arrangements would be formalised by the LEP Board and the Combined Authority.

Resolved:

- (i) That the Strategic Oversight Board will no longer convene.
- (ii) That the changes to the EZ governance arrangements as outlined in the submitted report be introduced informally and with immediate effect with updates provided to the relevant Combined Authority Panels/Committees as follows with the intention of formalising the arrangements:
 - LEP Board – 22 November 2018
 - Combined Authority – 13 December 2018
- (iii) That notification of the changes agreed and implemented are reported to the Government's Cities and Local Growth Unit in line with the obligations stated within the Memorandum of Understanding.
- (iv) That in response to the Panel's request it was agreed that programme level updates would be provided regularly to the LEP Board.

FOR INFORMATION

15. Local Plan Update

The Panel considered a report which provided an update on the progress and status of the Leeds City Region development plans.

It was noted that all partner councils except York have a development plan in place and it was suggested that it would be useful to have a workshop to consider the progress of each districts plans.

Resolved: The Panel noted the Local Plan Update.

16. Forward Plan

Resolved: That the Forward Plan be noted.

17. Minutes of the meeting of the Land and Assets Panel held on 20 April 2018

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

18. Date of the next meeting - 31 January 2019



**MINUTES OF THE MEETING OF THE
GOVERNANCE AND AUDIT COMMITTEE
HELD ON THURSDAY, 1 NOVEMBER 2018 AT COMMITTEE ROOM B,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Andy Clayton (Chair)
Councillor David Hall
Councillor Susan Hinchcliffe
Councillor Shabir Pandor

Department for Work and Pensions
Kirklees Council
Bradford Council
Kirklees Council

In attendance:

Mark Kirkham
Mark Dalton
Angela Taylor
Jonathan Sheard
Russell Gott
Ruth Chaplin
Ben Kearns

Mazars Auditors
Mazars Auditors
West Yorkshire Combined Authority
West Yorkshire Combined Authority
West Yorkshire Combined Authority
West Yorkshire Combined Authority
West Yorkshire Combined Authority

15. Apologies for Absence

An apology for absence was received from Councillor T Swift.

16. Declarations of Disclosable Pecuniary Interests

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

17. Exclusion of the Press and Public

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

18. Minutes of the Meeting of the Governance and Audit Committee held on 30 July 2018

Resolved: That the minutes of the meeting held on 30 July 2018 be approved.

19. External Audit Update

The Committee considered a report which presented the annual audit letter to the Committee.

A copy of the annual audit letter for 2017/18 which had been produced by the external auditors, Mazars, was attached at Appendix 1. The letter provided an executive summary of the outcome of the work programme and confirmed the conclusion of the audit and the fee for the year being unchanged.

Members discussed the three control recommendations highlighted in Section 2 and it was noted that the recommendation in respect of a leavers procedure for IT users which was due for completion by 31 October 2018 had been actioned.

The Committee queried the timescale for one of the recommendations in Mazars' report regarding ICT accounts and administrative privileges. It was reported that the Combined Authority had committed to implement the changes by May 2019 but officers would check whether the changes could be accelerated. The Committee would be advised if this was not possible.

The Director of Resources advised the Committee that since the publication of the papers Public Sector Audit Appointment (PSAA) had issued for consultation the proposed audit scale fees for 2019/20. The fees are unchanged from those applicable for 2018/19. Mazars confirmed that their audit would continue to meet the required professional standards at the proposed fee level.

Resolved:

- (i) That the annual audit letter for 2017/18 be noted.
- (ii) That the proposed audit fee for 2019/20 be noted.

20. Delivery of Internal Audit Function

The Committee considered a report which provided an update on progress made in implementing the preferred option for the provision of Internal Audit services.

It was reported that a business case has now been completed and role profiles developed for posts within the new structure. The posts will be evaluated and graded and a report taken to the Senior Leadership Team for approval of the new structure and commencement of the management of change process.

The Committee also discussed possible apprenticeship and secondment opportunities to the team. Members were advised that this was included as part of the business case which would be circulated to the Committee together with the role profiles for the posts.

It was anticipated that the new delivery model will be operational before the commencement of the 2019/20 Audit Plan and a progress report will be brought to the next meeting of the Committee.

Resolved: That the report be noted.

21. Scope of Independent Review of Internal Audit

The Committee considered a report which set out the terms of reference for the external review of Internal Audit.

Such an external review is required every four years in accordance with the Public Sector Internal Audit Standards.

Members discussed the terms of reference and noted the phases for assessment which were detailed in the submitted report. It was noted that quotes have been sought for the work and the cost can be met within the current budgets.

Resolved: That the terms of reference for the external review of Internal Audit be approved.

22. Internal Audit assurance opinions and recommendation ratings

The Committee considered a report which presented proposals for the introduction of new assurance opinion and recommendation ratings for Internal Audit reports.

It was noted that the current assurance opinions used by the Internal Audit team have been used for several years and require a refresh. The proposed revised audit opinions consider the level of assurance which can be provided and a copy was attached at Appendix 1 to the submitted report. A copy of the guidance in respect of recommendation ratings was attached at Appendix 2.

It is proposed that the revised opinion and recommendation ratings guidance be introduced for audit reports completed in the remainder of 2018/19. Reporting of audits which result in a limited or minimal opinion will continue to be provided to the Committee on a quarterly basis. Members were advised that the new officer Regulatory and Compliance Board (RCB) would meet in November 2018 and the Internal Auditor would be an attendee at the meetings. The RCB would ensure that risks were being addressed and regular updates would be provided to the Governance and Audit Committee and also the Overview and Scrutiny Committee.

Resolved: That the proposals to develop the audit opinion categories, priority ratings and supporting guidance be approved.

23. Internal audit progress report

The Committee considered a report on the work undertaken by the Internal Audit section.

Members noted the activities undertaken by the Internal Audit section in the period 1 April 2018 to 31 October 2018 and of progress made in delivering the 2018/19 audit plan. A summary of the work undertaken was attached at Appendix 1 to the submitted report.

The Committee discussed the presentation of the dashboard and the need for this to be linked to the strategic risk appetite and corporate risks statement. It was also suggested that it would be useful if the audit progress summary could display overall total risk.

The Committee discussed the outstanding audit recommendations which were provided in Appendix 2. It was noted that the Committee would be advised if any of the recommendations take longer than 3 months to implement.

Resolved: That the report be noted.

24. Internal Controls & Financial Monitoring

The Committee considered a report which set out any changes to the arrangements for internal control in the West Yorkshire Combined Authority and provided information on the current financial position.

It was reported that there had been no significant changes to internal controls in the period and monthly reconciliations were up to date.

Members noted the progress made in enhancing the internal governance arrangements for risk management and compliance with decision making. They were advised of changes planned to the governance arrangements for the LEP following the publication of the Government's 'Strengthening Local Enterprise Partnerships' document in July 2018. The Assurance Framework will be revised and details of the amendments will be brought to the next meeting.

The Committee also noted the requirement by government to make changes in respect of treasury management policies and strategies detailed in the submitted report and an update would be provided at a future meeting. It was suggested that officers from the Treasury Management team at Leeds City Council also be invited to attend a future meeting.

There had been no further reportable (RIDDOR) accidents since the last meeting and the total for the year was two.

In respect of financial monitoring, a summary of the current spend to budget as at August 2018 was attached at Appendix 1. This included a RAG rating to identify budgets that need further review and it was noted that there were no 'red' areas of concern to report. The draft budget 2019/20 would be considered by the Combined Authority in December 2018.

Resolved: That the report be noted.

25. Risk Management

The Committee considered a report which provided an update on corporate risk management issues and on actions related to data protection.

It was reported that each Directorate has undertaken a detailed review of their risk registers and the corporate risk register for the organisation has been updated. A summary of the updated corporate risk register was attached at Appendix 1 and included a summary of the actions being taken to manage each risk.

The Committee considered a proposal to update the Risk Appetite Statement to show the level of financial risk appetite moving from level 3 down to level 2. This was as a result of the directorate level risk reviews and Members discussed the current assessment of risk appetite which was outlined in the submitted report. It was agreed that Members of the Combined Authority will participate in a further workshop on risk management and the risk register summary to ensure it is robust and also meets with local authorities' objectives.

It was noted that the Regulatory and Compliance Board will cover all areas of regulation and will escalate issues including those relating to data protection/GDPR as appropriate. The Committee asked that regular updates from the Regulatory and Compliance Board and Overview and Scrutiny Committee are provided into the Committee to ensure key issues are flagged and aligned to the audit work programme to minimise duplication and ensure a coherent plan of work across key control areas.

In respect of GDPR, it was reported that significant progress had been made implementing and embedding GDPR throughout the organisation and Members noted the key actions that had been taken. It was also reported that a specialist Records Management Officer had been appointed to implement a records management strategy which would address the records management risks. The Combined Authority's compliance with GDPR will be monitored via a programme of internal audit over the next 7 months.

Resolved: That the report be noted.

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**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE AND YORK INVESTMENT COMMITTEE
HELD ON WEDNESDAY, 7 NOVEMBER 2018 AT COMMITTEE ROOM
A, WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Councillor Peter Box CBE (Chair)	Wakefield Council
Roger Marsh OBE (Deputy Chair)	Leeds City Region Enterprise Partnership
Councillor Barry Collins	Calderdale Council
Councillor Ian Gillies	City of York 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 (to minute 30)
Councillor Eric Firth	Deputy Chair, Transport Committee (to minute 30)
Peggy Haywood	MHCLG (minute 30 only)
Melanie Corcoran	West Yorkshire Combined Authority (to minute 30)
Angela Taylor	West Yorkshire Combined Authority
Dave Haskins	West Yorkshire Combined Authority (to minute 27)
Sarah Ratcliffe	West Yorkshire Combined Authority (to minute 27)
Henry Rigg	West Yorkshire Combined Authority (minute 27 only)
David Shepherd	West Yorkshire Combined Authority (minute 27 only)
Tom Murphy	West Yorkshire Combined Authority (minute 27 only)
Heather Waddington	West Yorkshire Combined Authority (minute 30 only)
Ruth Chaplin	West Yorkshire Combined Authority

22. Apologies for Absence

Apologies for absence were received from Councillor Denise Jeffery.

23. Declarations of Disclosable Pecuniary Interests

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

24. 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 6, Appendix 1 to Agenda

Item 8 and Appendix 2 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.

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

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

26. 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 also provided a more detailed update on the Growth Deal programme and the progress of the Corporate Projects and sought endorsement for two existing projects to come forward for additional funding through over-programming of the Growth Deal.

A summary of the capital programme 2018/19 including the outturn forecast was provided in Table 1 and details of expenditure on the Growth Deal programme in quarter 2 of 2018/19 in Table 2. Expenditure for Growth Deal projects, including the West Yorkshire plus Transport Fund was attached at Appendix 1 and it was reported that a further dashboard detailing performance on projects is currently being reviewed with partner councils and will be reported from quarter. A full update on performance will also be provided at quarter 3 and the current achievement of the programme was outlined in the submitted report.

The report also provided an update on programme expenditure risk and mitigation and it was noted that the total risk to possible underspend had reduced and it is anticipated to drop further as activity progresses.

In respect of over-programming, the Committee considered the following two existing projects which have been identified as able to deliver increased outputs if an increased allocation of funding can be agreed:

- Business Growth Programme
- Resource Efficiency Fund

It was noted that main purpose for allowing over-programming on the two projects is not to over-spend against the programme but to compensate for other areas of the programme that are likely to underspend.

The report also provided an update on the implementation of corporate projects including the Wellington House office accommodation project and the corporate technology programme.

Resolved:

- (i) That the progress made in implementing the Combined Authority Capital Programme be noted.
- (ii) That the Investment Committee recommends to the Combined Authority the approval in principle of additional funding from over-programming for the Business Growth Programme and the Resource Efficiency Fund subject to the appraisal of the additional funding requirements through the assurance process.

27. Future of Growing Places Fund

The Committee considered a report which provided an update on the future of the Growing Places Fund (GPF), which had been considered by the Leeds City Region Enterprise Partnership Board (LEP Board).

At its meeting on 20 September 2018, the LEP Board agreed to use the returned funds from the GPF both to support significant ongoing returnable investment and to provide grant funding in order to drive improved productivity and inclusive growth in the City Region. This was supported in principle by the Investment Committee.

The financial implications associated with the future of the Growing Places Fund were set out in the report considered by LEP Board which was attached at Appendix 1 and the details would be worked through as part of the next steps for the fund.

Further updates would be prepared for the Business Investment Panel.

Resolved: That the report and appendix concerning the future of the Growing Places Fund be noted.

28. Capital Spending & 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 (Transport Fund) and Growth Fund at stages 1, 2 and 3 of the Combined Authority's assurance process.

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

- Project Lapwing
- A61S Bus Priority Corridor
- Stourton Park and Ride

- Elland Road Park and Ride Phase 3
- Institute of High Speed Railways and System Integration – Phase 1
- Leeds Enterprise Zone Power Solution
- A650 Bradford to Keighley Corridor (Hard Ings)
- York Outer Ring Road Phase 2 (Monks Cross)

The Committee agreed to defer consideration of the Institute of High Speed Railways and System Integration project pending further information.

It was reported that in respect of the Leeds Enterprise Zone Power Solution, approval to proceed to full business case would be subject to a full quote being received from Northern Power grid.

In respect of the York Outer Ring Road Phase 2 (Monks Cross) project, Members were advised of an amendment to the figures in paragraph 2.141 which should read £3.585 million. It was noted that the total project costs remained the same.

The following schemes that have had change request reports assessed in line with the Combined Authority's assurance process were also considered:

- Rail Park and Ride Programme Phase 1
- Outwood Station Park and Ride
- Access to Capital Grants

In respect of the Rail Park and Ride Programme, Members asked that electric charging points be included as part of the projects.

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

- Clean Bus Technology Fund scheme
- West Yorkshire Urban Traffic Management Control project
- ULEV Taxi scheme
- Natural Flood Management – Calder and Colne
- A629 Phase 1a & Monitoring/Evaluation
- A629 Phase 2 (Halifax bus station)

Summaries of the schemes' business cases were attached as Appendices 2 -11 of the submitted report.

In addition, the Committee also noted the decision on the Kirklees College Process Manufacturing Centre which had been delegated to the Combined Authority's Director of Delivery following a recommendation from the Combined Authority's Programme Appraisal Team. Details of the project were outlined in the submitted report.

Resolved:

- (i) In respect of Project Lapwing, the Investment Committee recommends to the Combined Authority:
 - (a) That the Lapwing project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs).
 - (b) That an indicative approval to the Combined Authority's contribution of £1million (which will be funded through the Local Growth Fund's Strategic Inward Investment 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).
 - (c) That future approvals are made in accordance with the assurance 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 report.

- (ii) In respect of A61S Bus Priority Corridor, Leeds, the Investment Committee recommends to the Combined Authority:
 - (a) That the A61 South project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
 - (b) That an indicative approval to the total project value of £14.15 million is given from the Leeds Public Transport Investment 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 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 report.

- (iii) In respect of Stourton Park and Ride, the Investment Committee recommends to the Combined Authority:
 - (a) That the Stourton Park and Ride project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
 - (b) That an indicative approval is given to the total project value of £30.1 million, of which £27.3 million will be funded by the

- Combined Authority from the Leeds Public Transport Investment 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). This indicative approval is subject the scheme being successful in gaining ERDF funding for the scheme. In the event that the ERDF bid is not successful an indicative approval of £25.4 million from the Leeds Public Transport Investment Fund will be applied.
- (c) That further development costs of £635,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs).
 - (d) That the Combined Authority enters into an addendum to the existing funding agreement with Leeds City Council to increase by £635,000 from the Leeds Public Transport Investment Fund.
 - (e) That future approvals are made in accordance with the assurance 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 report.
- (iv) In respect of Elland Road Park and Ride Phase 3, the Investment Committee recommends to the Combined Authority:
- (a) That the Elland Road Park and Ride Phase 3 project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
 - (b) That an indicative approval to the total project value of £5.75 million is given to be funded from the Combined Authority from the Leeds Public Transport Investment 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 further development costs of £165,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) taking the total development cost expenditure approval to £410,000.
 - (d) That the Combined Authority enters into an addendum to the existing Funding Agreement with Leeds City Council to increase by £165,000 from the Leeds Public Transport Investment Fund for expenditure of up to £410,000.
 - (e) That future approvals are made in accordance with the assurance 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 report.

- (v) In respect of the Institute of High Speed Railways and System Integration, the item was deferred pending further information.
- (vi) In respect of Leeds Enterprise Zone Power Solution, the Investment Committee recommends to the Combined Authority:
 - (a) That the project proceeds through decision point 4 (full business case) and work commences on activity 5 (full business case with finalised costs).
 - (b) That an indicative approval to the total project value of £5 million is given which will be funded by the Combined Authority from 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).
 - (c) That future approvals are made in accordance with the assurance 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 report.
- (vii) In respect of A650 Bradford to Keighley Corridor (Hard Ings), the Investment Committee recommends to the Combined Authority:
 - (a) That the Hard Ings Road Improvements, Keighley project proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs).
 - (b) That an indicative approval to the total project value of £10.3 million is given 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 further development costs of £2.718 million are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) to be funded from the West Yorkshire plus Transport Fund, taking the total project approval to £3.86 million.
 - (d) That the Combined Authority enters into an addendum to the existing funding agreement with Bradford City Council for

expenditure of up to £3.86 million from the West Yorkshire plus Transport Fund.

- (e) That future approvals are made in accordance with the assurance 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 report.
- (viii) In respect of York Outer Ring Road Phase 2 (Monks Cross), the Investment Committee recommends to the Combined Authority:
- (a) That the York Outer Ring Road Phase 2 project proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs).
 - (b) That an indicative approval to Phase 2 to the value of £3.585 million is given 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 future approvals are made in accordance with the assurance 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 report.
- (ix) In respect of Rail Park and Ride Programme Phase 1, the Investment Committee recommends to the Combined Authority:
- (a) That the change request to the Rail Park & Ride Programme phase 1 re-programming and re-allocation of funds within the programme is approved. This highlights as to which schemes will progress in phase 1 and which schemes will be moved into phase 2.
 - (b) That development costs of up to £150,000 for the Ben Rhydding scheme from West Yorkshire plus Transport Fund are approved, subject to confirmation from the City of Bradford Metropolitan District Council that land will be made available.
 - (c) That the Rail Park and Ride Phase 1 programme-level expenditure approval will increase from £1.161 million to £1.701 million to be funded from the West Yorkshire plus Transport Fund.
 - (d) That future approvals are made in accordance with the assurance pathway and approval route outlined in the

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

- (x) In respect of Outwood Station Park and Ride, the Investment Committee recommends to the Combined Authority:
- (a) That the change request to extend the scope at Outwood Rail Station is approved to include the provision of an access road.
 - (b) That indicative approval is given to the revised scheme costs of £1.540 million which will be funded from the West Yorkshire plus Transport Fund.
 - (c) That additional development costs of £29,400 are approved taking the total expenditure approval for project development to £140,000.
 - (d) That the Combined Authority enter into a funding agreement with Wakefield Council for expenditure up to the value of £130,000.
 - (e) 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 report.
- (xi) In respect of Access to Capital Grants, the Investment Committee recommends to the Combined Authority's Managing Director:
- (a) That the change request to the Access to Capital Grants programme is approved to:
 - Assign £1.75 million of the Local Growth Fund as match funding for the capital grants elements of the proposed extension of both Ad:Venture (£1 million from Local Growth Fund) and Digital Enterprise (£750,000 from Local Growth Fund) schemes, and provide confirmation of the match-funding to support bids for the two schemes for European Regional Development Funding to be led by Leeds City Council;
 - Authorise Leeds City Council to manage the capital grants elements of both Ad:Venture and Digital Enterprise schemes on behalf of the Combined Authority and for the benefit of the Leeds City Region.
 - (b) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report. This will be subject to the scheme remaining within the tolerances outlined in the report.

29. Leeds City College, Quarry Hill - Project Update

The Committee considered a report which provided an update on progress and the due diligence undertaken in respect of the Leeds City College, Quarry Hill project.

Members discussed the update and financial implications, risks and the drawdown and repayment schedule which were provided in exempt Appendix 1.

It was anticipated that the Quarry Hill project will be completed by August 2019 and ready for use in the 2019/20 academic year.

Resolved:

- (i) That the update on progress and the current status of the Leeds City College Quarry Hill Skills Capital Project be noted.
- (ii) That the Investment Committee recommends delegation to the Combined Authority's Managing Director that a loan agreement for £6.5 million to Leeds City College be entered into and for the College to drawdown against the loan facility, subject to the conditions set out in exempt Appendix 1 and with the addition of a further confirmation as agreed at the meeting.

30. European Structural Investment Fund - Sustainable Urban Development

The Committee considered a report on the West & North Chamber of Commerce full application for Sustainable Urban Development (SUD), part of the European Structural and Investment Funds (ESIF) Programme and to provide advice to the Combined Authority, in its role as the Intermediate Body (IB).

The Committee considered the full application provided in the exempt Appendix 1 which had been considered by the Appraisal Team, under the responsibility of the Head of Research and Intelligence from the Combined Authority. Members discussed the proposals and agreed that they appropriately addressed:

- local domestic priorities, development needs/growth conditions and opportunities.
- the contribution and value for money proposed in the context of the Operational Programme and local ESIF Strategy.
- any local issues that need to be taken into account in the development and/or delivery of the project.

It was reported that the project is considered to be sufficiently developed to enable the Managing Authority to issue a funding agreement subject to the proposed conditions set out in the assessment being fully met.

Resolved: That the Investment Committee recommends to the Combined Authority the full application for the project as set out in the exempt Appendix 1.

31. Minutes of the Business Investment Panel held on 31 August 2018

Resolved: That the minutes of the Business Investment Panel held on 31 August 2018 be noted.

32. Draft Minutes of the Business Investment Panel held on 5 October 2018

Resolved: That the draft minutes of the Business Investment Panel held on 5 October 2018 be noted.

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