

WEST YORKSHIRE COMBINED AUTHORITY

**MEETING TO BE HELD AT 11.00 AM ON THURSDAY, 10 OCTOBER
2019 IN COMMITTEE ROOM A - WELLINGTON HOUSE, LEEDS**

A G E N D A

Please note that this meeting will be filmed for live or subsequent broadcast via the Combined Authority's internet site. At the start of the meeting the Chair will confirm if all or part of the meeting is being filmed. Generally the public seating areas will not be filmed; however by entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting. If you have any queries regarding this, please contact Governance Services on 0113 251 7220.

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**
- 3. EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC**
 1. To highlight Appendix 3 to Item 6, Appendices 1, 2 and 3 to Agenda Item 7, Appendix 1 to Agenda Item 12 and Appendices 1 to 6 of Agenda Item 15 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 8.2 of Agenda Item 6, paragraph 6.4 of Agenda Item 7 and paragraphs 6.1 of Agenda Items 12 and 15.
 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, Appendices 1, 2 and 3 to Agenda Item 7, Appendix 1 to Agenda Item 12 and Appendices 1 to 6 of Agenda Item 15 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 1 AUGUST 2019

(Pages 1 - 10)

For Decision

5. BREXIT

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

(Pages 11 - 20)

6. CAPITAL SPENDING AND PROJECT APPROVALS

(Member lead: Cllr P Box, Director: Craig Taylor, Head of PMO)

(Pages 21 - 98)

7. TRANSFORMING CITIES FUND

(Member lead: Cllr J Blake, Director: Alan Reiss)

(Pages 99 - 122)

8. TACKLING THE CLIMATE EMERGENCY

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

(Pages 123 - 160)

9. DEVOLUTION

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

(Pages 161 - 170)

10. SPENDING REVIEWS AND LOCAL INDUSTRIAL STRATEGY

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

(Pages 171 - 194)

11. FUTURE BUS OPTIONS

(Member lead: Cllr J Blake, Director: Alan Reiss)

(Pages 195 - 198)

12. FUTURE APPROACH TO BUSINESS FINANCE

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

(Pages 199 - 236)

13. CORPORATE PLANNING AND PERFORMANCE

(Member lead: Cllr S Hinchcliffe, Director: Angela Taylor)
(Pages 237 - 248)

14. GOVERNANCE REPORT

(Member lead: Cllr S Hinchcliffe, Director: Angela Taylor)
(Pages 249 - 254)

**15. EUROPEAN STRUCTURAL AND INVESTMENT FUNDS (ESIF) –
SUSTAINABLE URBAN DEVELOPMENT (SUD)**

(Lead Member: Cllr P Box, Director: Angela Taylor)
(Pages 255 - 274)

For Information

16. PROGRESS ON THE TRANSFORMATION PROGRAMME

(Pages 275 - 286)

17. MINUTES FOR INFORMATION

(Pages 287 - 288)

Signed:



**Managing Director
West Yorkshire Combined Authority**

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**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY, 1 AUGUST 2019 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, LEEDS**

Present:

Councillor Susan Hinchcliffe (Chair)	Bradford Council
Councillor Tim Swift MBE (Deputy Chair)	Calderdale Council
Councillor Keith Aspden	City of York Council
Councillor Judith Blake CBE	Leeds City Council
Councillor Peter Box CBE	Wakefield Council
Councillor Stewart Golton	Leeds City Council
Councillor David Hall	Kirklees Council
Councillor Shabir Pandor	Kirklees Council
Councillor John Pennington	Bradford Council

In attendance:

Councillor Kim Groves	Chair, Transport Committee
Councillor Peter Harrand	Chair, Overview & Scrutiny Committee (to minute 29)
Ben Still	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Caroline Allen	West Yorkshire Combined Authority
Dave Pearson	West Yorkshire Combined Authority (minute 29)
Ruth Chaplin	West Yorkshire Combined Authority

22. Apologies for Absence

Apologies for absence were received from Roger Marsh.

23. Chair's Comments

The Chair welcomed everyone to the meeting on Yorkshire Day and provided an update on the latest discussions on devolution and the Combined Authority and Leeds City Region LEP's response to the Treasury Select Committee's inquiry into imbalances in the UK economy. The submission highlighted the current imbalance in investment with Yorkshire and The Humber receiving among the lowest levels of Government spending per head in the country on economic development and transport.

The response to the inquiry had provided the opportunity to show that further devolution was urgently needed to empower local political and business leaders to work together to make decisions affecting the Leeds City Region.

The Chair also updated the meeting in respect of devolution. The One Yorkshire Leaders have written to the new Prime Minister setting out and seeking his commitment to new proposals to urgently unlock the benefits of devolution. Councillor Hinchcliffe reported that she and Councillor Blake had had positive discussions with Robert Jenrick, in his previous role in the Treasury. In the recent Cabinet reshuffle, Robert Jenrick had been appointed as the new Secretary of State for Housing, Communities and Local Government. It was hoped that there would be further dialogue with Government to the proposed interim arrangements within each sub region to allow meaningful devolution within Yorkshire between now and 2022.

24. Declarations of Disclosable Pecuniary Interests

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

25. 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 Appendices 1, 2, 3 & 4 to Agenda Item 10 on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information and for the reasons set out in the report that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

26. Minutes of the Meeting of the Combined Authority held on 27 June 2019

Resolved: That the minutes of the meeting of the West Yorkshire Combined Authority held on 27 June 2019 be approved and signed by the Chair.

27. 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:

- Kirklees Cycling and Walking Early Gateway Transformation Package
- Ultra-Low Emission Bus (ULEB)
- Kirklees Transport Model

It was noted that since the last meeting, decisions on the following schemes have been made by the Investment Committee:

- A629 Phase 4
- Harrogate Road – New Line Junction Improvement
- Halifax Station Gateway
- York Outer Ring Road Junctions Improvement Programme – Phase 1

Members discussed the ULEB and Clean Bus Technology schemes. A change request (activity 6) for the Clean Bus Technology Fund had been recommended to the Combined Authority for approval by the Investment Committee and the funding arrangements for both schemes was clarified. The significant difference both schemes would make in respect of climate change was highlighted and it was noted that all reports considered by the Investment Committee now looked at the impact projects would have on climate change.

Details of all the schemes were provided in the submitted report.

Resolved:

- (a) In respect of Kirklees Cycling and Walking Early Gateway Transformation Package -

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

- (i) That the Kirklees Cycling and Walking Early Gateway Transformation Package 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 Combined Authority's contribution of £1.895 million, which will be funded through the Transforming Cities Fund, with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs). The total project value is £2.2 million.
- (iii) That development costs of £337,000 are approved (including £150,000 for advanced construction works on the Huddersfield element) in order to progress the scheme to decision point 5 (full business case with finalised costs).
- (iv) 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.

- (b) In respect of Ultra-Low Emission Bus (ULEB) -

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

- (i) That the Ultra-Low Emission Bus (ULEB) scheme 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 Combined Authority's contribution of £1.650 million which will be funded through £1.033 million from Leeds Public Transport Investment Programme (LPTIP) and £617,000 from the DfT ULEB scheme funding, 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 £2.7 million.
- (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 report.

(c) In respect of Kirklees Transport Model -

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

- (i) That the Kirklees Transport 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 to the West Yorkshire Combined Authority's contribution of £167,000 (which will be funded through £167,000 from the West Yorkshire-plus Transport 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 £334,000.
- (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 report.

(d) In respect of Clean Bus Technology Fund -

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

- (i) That the increase in total scheme costs from £6.088 million to £9.570 million, (an increase of £3.482 million) be approved. This increase is funded from £2.976 million of additional DEFRA grant and an estimate of a further £506,000 bus operator match contribution.
- (ii) That the increase of the Combined Authority's contribution to the scheme from £5.06 million to £8.036 million, (an increase of £2.976 million) be approved. This will be funded from the additional DEFRA grant awarded to the Combined Authority.
- (iii) The revised delivery timescales to 31 March 2020.
- (iv) That the Combined Authority enter into a grant agreement with the preferred bus operator/s following procurement, for expenditure of up to £2.976 million, to be funded from the additional DEFRA grant secured by the Combined Authority.
- (v) 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.

28. HS2 Consultation Response

The Combined Authority considered a report of the Director of Policy, Strategy and Communications which provided an update on the proposed response to the HS2 Phase 2b Design Refinement Consultation which relates to changes to the proposed HS2 route between Woodlesford and the HS2 Leeds station.

The proposed amendment was for the line between Leeds and Woodlesford to be predominantly on a viaduct rather than a combination of ground level, cutting and embankment. HS2 Ltd are currently consulting on the revised proposals which will have different impacts on the local communities.

Members discussed the changes and the proposed principles of the Combined Authority's response which were outlined in the submitted report together with their benefits and dis-benefits.

It was noted that Leeds City Council, as the planning authority, will be addressing local issues and an outline of their draft response was provided in the report. It was agreed that the Combined Authority's final consultation response be approved by the Transport Committee prior to submission on 6 September 2019.

Resolved:

- (a) That the principles of the consultation response as detailed in paragraphs 2.16 – 2.23 of the submitted report be endorsed.
- (b) That the final consultation response be approved by the Transport Committee prior to submission on the 6 September 2019.

29. Blake Jones Rail Review

The Combined Authority considered a report of the Director of Transport Services which provided an update on the Blake Jones and Williams Rail Reviews.

The “Blake Jones Review of the Rail North Partnership” had been published on 19 July 2019 and the summary document to the review was attached at Appendix 1. The review identified five recommendations for immediate action and a further four that rely on more fundamental change for longer term implementation which will be considered by the Williams Review. All the recommendations were set out in the submitted report.

The Authority welcomed the review and congratulated Councillor Blake on producing the comprehensive report. Members discussed the importance of the work which would lead to the changes and improvements vital to restoring passenger confidence and providing a robust and reliable rail service. In response, Councillor Blake thanked officers of the Combined Authority who had led on the work.

Councillor Blake updated the Authority on discussions which had been held at the Transport for the North (TfN) meeting held on 31 July 2019. TfN had agreed an Action Plan to deliver the recommendations of the Blake Jones Review and to strengthen the associated TfN governance. The recommendations would be brought forward as a matter of urgency although it was recognised that it would take some time to implement all the changes. Members stressed that it was essential that scrutiny was in place to question any failures to deliver and that performance against the franchise was monitored. A report on TfN’s progress with the Action Plan would be brought to a future meeting.

The report also provided an update in respect of the Williams Rail Review and the transcript of Keith Williams speech, which was made at a Northern Powerhouse Partnership event on 16 July 2019, was attached at Appendix 2.

Resolved:

- (a) That the outcome of the Blake Jones Review be endorsed.
- (b) That the update on the Williams Review be noted.

- (c) That an update on Transport for the North's Action Plan be brought to a future meeting.

30. Medium Term Financial Strategy and Budget 2020/21

The Combined Authority considered a report of the Director of Corporate Services which provided an update on the medium term financial strategy (MTFS) and budget planning for 2020/21.

The report set out the key challenges, issues and changes to be considered in setting the 2020/21 budget and establishing a viable MTFS beyond that date. The next phases of work will be overseen by the budget working group and they will consider the actions already taken, the assumptions underpinning the budget/MTFS and the options available to increase income, reduce expenditure and seek to balance the budget. It was noted that the actions required and impact on the business plan and financial strategy of the climate change emergency declaration will also be considered.

It was noted that public engagement is planned for later in the year and also engagement with local authority Directors of Finance.

A progress report would be brought to the next meeting.

Resolved: That the update on the medium term financial strategy and budget planning for 2020/21 be noted.

31. Corporate Planning and Performance

The Combined Authority considered a report of the Director of Corporate Services which provided an update on corporate performance including progress against corporate plan priorities, risk management and budget position.

The update on progress against the 2019/20 Corporate Plan headline indicators set out in Appendix 1 was noted. A risk workshop had been held with nominated members of the Combined Authority and the Governance and Audit Committee which had focussed on factors influencing the risk appetite for the organisation. Work will now be undertaken to update the organisational risk appetite statement and a review of the Corporate Risk Management Strategy is progressing.

A summary of the 2019/20 current spend to budget was attached at Appendix 2 and it was noted that there were no 'red' areas of concern to report. The 2018/19 annual accounts had been presented to the external auditor, Mazars, and they had reported their findings to the Governance and Audit Committee. An unqualified audit opinion, without modification, was given on the financial statements and also an unqualified value for money conclusion.

Resolved: That the information provided on corporate performance be noted.

32. Transforming Cities Fund

The Combined Authority considered a report of the Director of Policy, Strategy and Communications which provided an update on the Transforming Cities Fund (TCF).

It was noted that the TCF is central to contributing to the Combined Authority's core aims of enabling inclusive growth, boosting productivity, delivering 21st century transport and enabling clean growth.

The Tranche 2 'big bid' Transforming Cities Fund Strategic Outline Business Case (SOBC) had been submitted in draft form to the Department for Transport and members noted the update and considered the additional information including the risks associated with the submission and financial implications which were provided in the four exempt appendices. The final SOBC submission has to be made by 28 November 2019 through co-development with the Department for Transport (DfT) and grant approval would be made by March 2020.

It was reported that a Future Mobility Zone (FMZ) bid had been submitted to the DfT in May 2019 and this had successfully progressed to the second stage of development. Details regarding the FMZ were attached at exempt Appendix 4 and it was noted that a detailed submission was being developed and would be submitted in September 2019.

In order to place the Combined Authority and partners in the best position to deliver the programme, it was proposed to use capital of up to £3 million from the West Yorkshire plus Transport Fund Transformation Programme to fund the development work. It was agreed that approval for the release of funds to enable individual schemes to progress through the assurance process be delegated to the Combined Authority's Managing Director in consultation with the Chair of the Transport Committee. The Authority thanked Councillor Groves and the Transport Committee for their work in respect of the Transforming Cities Fund to date.

Resolved:

- (a) That the progress update and risks associated with the Tranche 2 'big bid' as set out in exempt Appendix 2 to the submitted report be noted.
- (b) That the Transforming Cities Fund (TCF) draft June Strategic Outline Business Case submission as set out in exempt Appendix 1 to the submitted report be noted.
- (c) That the progress update of the Future Mobility Zone bid as set out in exempt Appendix 3 to the submitted report be noted.
- (d) That the use of capital of up to £3 million from the West Yorkshire plus Transport Fund Transformation Programme to fund TCF development work in the short term, to place the Combined Authority

and partners in the best possible position to deliver the TCF programme be approved.

- (e) That authority be delegated to the Combined Authority's Managing Director, in consultation with the Chair of the Transport Committee, to the release of funds for individual schemes to enable progression to Decision Point 1 and Decision Point 2 of the Assurance Framework.

33. Minutes and Notes for Information

The Combined Authority noted the minutes and notes of the committees and panels that have been published on the West Yorkshire Combined Authority's website since the last meeting.

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

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Report to: West Yorkshire Combined Authority

Date: 10 October 2019

Subject: **Brexit update**

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

Author(s): Alex Clarke and Ian Smyth

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:	

1. Purpose of this report

- 1.1 To provide an update to the West Yorkshire Combined Authority on the organisational preparation being undertaken by the West Yorkshire Combined Authority (Combined Authority) and Leeds City Region Local Enterprise Partnership (LEP) as the UK prepares to leave the European Union, in particular the increase in activity ahead of 31 October. Given the fast moving nature of this work, a further verbal update may be provided at the meeting.
- 1.2 To approve delivery of the Brexit Business Support Scheme from November 2019 to the end of March 2021 via the allocation of £2m from the overall Business Growth Programme (BGP) budget.

2. Information

- 2.1 The Combined Authority and LEP continue to support the city region in preparing for Brexit. In particular, the LEP is playing a proactive role in providing support to the city region's businesses as they plan for the opportunities and challenges they may have as a result. This paper updates on key activities that ensure the preparedness of the Combined Authority.

Business Support

- 2.2 The LEP is **collecting and coordinating intelligence on business preparation activities**, and providing updates to BEIS, DIT and MHCLG. Following a request from Government, the LEP will now coordinate intelligence-gathering and additional activity to support businesses across Yorkshire and Humber to prepare for, and respond to, Brexit. This is via the role of Cluster Lead for the Growth Hubs in the region, with the model being replicated across the country via another nine clusters. In addition, local economic performance is monitored through a tailored Brexit monitor report.
- 2.3 The Growth Hub continues to prepare to be as ready as possible for the impacts of Brexit, meeting regularly with business support leads in each local authority to ensure alignment with other activity.
- There are now **19 Growth Managers** (FTEs) in the city region all focused on supporting businesses with Brexit preparation and response. The Combined Authority will shortly be **training all Growth Managers and other key business-facing staff on the latest Brexit key issues and challenges** to support their business engagement work. A weekly conference call discusses issues raised by businesses.
 - There will be Growth Hub presence at as many forthcoming **Brexit-related business events in the city region** as possible, including engaging with regulators, intermediaries, business membership organisations, business weeks, as well as Government and local authority events.
 - Working with local authority partners and Government to strengthen **engagement with larger and higher impact city region businesses** to understand their plans towards Brexit.
- 2.4 A number of potential **business support products** have been developed that could be enacted should there be a non-negotiated exit from the EU. This includes a proposed £2m **Brexit Business Support Scheme**, which will provide SMEs with access to independent professional / technical advice with issues directly related to Brexit. For example, new regulations or required accreditations, risk and financial planning (including currency management), data storage/access, intellectual property and workforce/skills planning. The proposed scheme will help SMEs to understand the issues facing them via a diagnostic and action planning process. It will then help them identify and procure the most appropriate support, and provide funding of up to £5,000. A request has been sent to BEIS for flexibility to utilise existing Growth Deal capital funding (currently committed to the Business Growth Programme) to finance this scheme. This approach, and the scheme as a whole, was endorsed by the LEP Board at its meeting on 25 September 2019. The scheme criteria is attached at Appendix 2.
- 2.5 The scheme has been designed to complement **wider support programmes** around skills (re:boot and employment hub) and business support (investor readiness and business resilience) launched with particular consideration given to responding to Brexit issues. An additional **working capital loan**

product is also being designed with input from a private sector partner. External support has been engaged on developing these programmes as required, and accelerated decision making and delegations are being considered.

- 2.6 The LEP is also gaining clear understanding of the Brexit **business support interventions and funding that will be provided by central Government** in a no-deal scenario – in particular on cashflow (i.e. through HMRC’s Time to Pay and Business Payment Support Service (BPSS)), expert trade, regulation and employment advice, business support helpline and any emergency assistance grants. It is also working a private sector partner to design a compliant working capital loan product should there be future demand for this.

Communications

- 2.7 The Combined Authority, in collaboration with partners, has developed a Brexit communication strategy that is cognisant of the role the LEP should be taking given the context of the Government’s extensive ‘Get ready for Brexit campaign’. The key objectives are:
- To **promote and reinforce the LEP Growth Service** as the go-to place for business support, particularly pre and post Brexit support, and signposting relevant information, support and events, particularly through the dedicated Brexit mini-hub.
 - To **amplify the Government’s ‘Get ready for Brexit’ campaign** using LEP channels, directing businesses based in the Leeds City Region to the Government’s preparation advice.
 - To start to **promote the behaviours of resilient businesses** and related support provided by the LEP
- 2.8 We are enhancing the reach of our local campaign by seeking to appoint a digital marketing specialist to support increasing the reach of our Brexit communications to businesses. We are also scenario planning for potential developments to ensure we provide clear and consistent messages to businesses and the public, including where to go for support and assistance. Further MHCLG funding has been applied for to support this development.

Organisational Readiness

- 2.9 The Combined Authority is continuously assessing the potential impact of Brexit in the region, complementing and adding value to work that has taken place at the national level or individual local authority by utilising sources such as the Leeds City Region business survey. The overall impact of the implications of Brexit on the regional economy is reported in regular economic updates to the Combined Authority and LEP Board.
- 2.10 With the impact likely to differ significantly depending on whether there is a negotiated deal and transition period or a non-negotiated exit, the conclusions of the assessment work (see Appendix 1) look as far as possible to consider both scenarios, drawing out a number of recommendations. Using these as a guide, the Combined Authority and LEP has developed a single focussed

action plan for the period up to 31 October (and potentially beyond depending on developments). This planning remains flexible to adapt to either a negotiated Brexit deal or a non-negotiated exit.

2.11 The action plan is also being used to prioritise additional funding received in connection to Brexit, including the £182,000 of funding that has been received from Government to assist in Combined Authority Brexit preparations. The high level priorities of the action plan are:

- Ensuring the organisation coordinates Brexit planning across directorates
- Regularly liaising with local authority partners and others on understanding risk and sharing plans
- Supporting businesses to be resilient and to exploit new opportunities
- Ensuring that delivery of projects and services is not adversely affected, including investment into key schemes, with risks identified and mitigated
- Engaging with transport providers in the region to understand their planning and areas of concern regarding Brexit.
- Preparing the organisation for changes effecting how we operate (in a no deal or transition arrangement) in terms of GDPR, procurement, HR etc.
- Communicating with staff who may be affected by the European Settlement Scheme and offering proactive support
- Monitoring and modelling the potential impacts of Brexit and collecting qualitative evidence to influence policy and decisions
- Ensuring maximum benefit from remaining EU funding, influencing the ESIF national reserve funds and leading the region's input to the shaping of the UK Shared Prosperity Fund

2.12 In order to ensure that the city region is best able to respond in the event of a non-negotiated exit from the EU on the 31 October, it is important that the Combined Authority and partners can work quickly and agilely on decision making and sharing intelligence. In order that processes can function from day one if required, a number of important developments have taken place or will be actioned in the following weeks:

- Mirroring emergency response arrangements at the Local Authority level, the Combined Authority has **established 'Gold' and 'Silver' working groups to coordinate its Brexit response**. These structures can then be further mobilised as required to include greater frequency and preparing for decision making.
- The LEP will **coordinate business intelligence responses to Government through its lead cluster role for Yorkshire and Humber**. This aligns with the Brexit regional lead role of the Chief Executive of Leeds City Council in relation to communication. The Combined Authority is also engaged with the West Yorkshire Resilience Forum.
- **Convening a group of staff across the organisation** who are giving significant time to support Brexit-related activity, plus identifying a further staff who can be mobilised quickly should a surge of resource be required.

- **Ensuring that local no deal Brexit business support programmes are ready to be operational** as soon as required and, should additional funding not be provided directly by government, confirming with BEIS the flexibility to utilise Growth Deal funding. This includes the proposed £2m LEP Brexit Business Support Scheme described at paragraph 2.4 and in Appendix 2.

3. Clean Growth Implications

There are no clean growth implications directly arising from this report.

4. Inclusive Growth Implications

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

5. Financial Implications

5.1 This report asks the Combined Authority to allocate £2m from the Business Growth Programme to fund the proposed Business Support Scheme (see paragraph 2.4). This allocation is subject to securing the required funding flexibility from BEIS and assumes no additional funding being provided directly by government.

5.2 Internal preparations continue to be undertaken using a combination of existing people resource and specific Brexit funding provided by BEIS and HMCLG. It is anticipated that Government will fund any additional activity they request beyond work already taking place within local areas, for example the short term focus on providing intelligence to central government departments.

6. Legal Implications

6.1 Due to the fluid nature of Brexit negotiations, it has not in this instance been possible to provide the statutory 28 days' notice of this key decision being considered. However, in accordance with the Combined Authority's Access to Information Annex to Procedure Standing Orders (part 1 section 7C – General Exception), the Chair of the Overview and Scrutiny Committee has been notified, notification has been published on the Authority's website and 5 clear days has elapsed following the day of publication of the notice. Accordingly, as set out in the rules of General Exception, the Combined Authority may still make the decision.

7. Staffing Implications

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

8. External Consultees

8.1 No external consultations have been undertaken.

9. Recommendations

- 9.1 That the West Yorkshire Combined Authority note this update on the organisational preparation being undertaken by the Combined Authority and LEP as the UK prepares to leave the European Union, providing any comments for further activity.
- 9.2 The Combined Authority is recommended to approve delivery of the Brexit Business Support Scheme (see paragraph 2.4), in the event of a non-negotiated exit from the EU, from November 2019 to the end of March 2020 via the allocation of £2m from the overall Business Growth Programme budget. This being subject to securing the required funding flexibility from BEIS and no additional funding being provided directly by government.

10. Background Documents

None.

11. Appendices

Appendix 1: Recommendations from Brexit impact assessment
Appendix 2: Business Support Scheme Criteria

Appendix 1: Recommendations from Brexit impact assessment

The Combined Authority has reviewed publicly available information relevant to assessing the regional impact of Brexit, and supplemented this with information from local sources such as the Leeds City Region business survey. The key conclusions are listed below.

Conclusion	Recommendation
That the LEP has already begun to put in place support that can assist businesses looking to succeed in the current environment, and is ready to implement further programmes as necessary in a no deal scenario	That preparatory work is done so that the organisation is ready to deliver further programmes as necessary in a no deal scenario
That we are already experiencing the effects of Brexit on the economy, even while the final conclusion remains uncertain	To make sure that we are responding to those effects appropriately, through our ongoing inclusive growth, business support and trade and investment activity, exploring opportunities where they are presented.
We have a comprehensive intelligence picture of Brexit preparations across businesses and the economy more widely. There are some specific gaps in our knowledge and interactions in relation to large indigenous businesses and more widely on the impact on households	To explore options for how intelligence gaps can be addressed, and decide which to fill; noting that there is variation across the region in the approach of local authorities in engaging with large local employers.
That although there are significant opportunities and challenges for businesses in the Leeds City Region, there are no major implications that are not also true for businesses across the UK	Continue to direct businesses to national advice and support, not duplicating that support locally; noting we have already launched an online resource to provide advice to businesses, based on national advice.
That in the current economic climate (and depending on the outcome of Brexit) it is more challenging to achieve the further investment across the city region that is required to drive productivity	Strengthen the strategic narrative for the Spending Review, devolution and Local Industrial Strategy, to make a compelling case for investment to Government. Influence the Shared Prosperity Fund to ensure the region can support programmes once European funding ends. Redouble efforts to increase inward investment in areas of the LCR beyond Leeds.
That while short term sterling depreciation has supported exporters, (depending on the outcome of Brexit) there are implications for the future of trade for city region businesses that will be particularly felt in supply chains	Continue developing trade policy (including through the extended export for growth programme) that supports businesses to succeed, and assist them to have the right systems and permissions for future trading
That while the labour market has proven to be resilient to date, there are challenges in particular sectors to the supply of skilled workers	To focus on the supply of skilled workers into good jobs, looking at training and re-training in particular as routes to meeting demand (as well as potential new migration policies)

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Appendix 2: Brexit Business Support Scheme Criteria

Overview

Vouchers of up to £5,000 are available to small and medium sized businesses based in the Leeds City Region purchasing technical advice and guidance from external providers with issues related to Brexit.

Application process

- You will need to complete an application form setting out the advice / guidance required
- Only one application per business will be accepted
- Your business will not be required to make a financial contribution to the cost of the advice – 100% of the costs will be funded up to a maximum voucher of £5,000
- Applications must be submitted by 31 March 2020

Am I eligible?

Your business must:

- Be based in the Leeds City Region, which includes the local authority areas of Barnsley, Bradford, Calderdale, Craven, Harrogate, Kirklees, Leeds, Selby, Wakefield and York
- Be a small or medium sized enterprise (fewer than 250 employees)
- Not be in Business Rates arrears
- Have a Business Plan

Your project must:

- Relate to the purchase of technical advice and guidance from external providers with issues related to Brexit e.g. changes to regulations, accreditations, contractual matters, financial planning, risk planning, workforce planning. Vouchers cannot be used to cover internal costs e.g. salaries, rent, subscriptions or licenses etc.

The LEP will:

- Support your business to identify the advice / guidance needed and to then identify and procure the relevant provider
- Pay the voucher directly to your business once invoices are provided by the external provider confirming the total cost of the advice / guidance

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Report to: West Yorkshire Combined Authority

Date: 10 October 2019

Subject: **Capital Spending and Project Approvals**

Director: Craig Taylor, Head of PMO

Author(s): Craig Taylor/Ian Pegg

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 The schemes being considered today were recommended by the West Yorkshire and York Investment Committee (the Investment Committee) on 3 September 2019 and 1 October 2019.
- 1.3 Some of the schemes being considered today were recommended by September's Investment Committee, the remainder from October's Investment Committee. Please note, at the time of preparing this report the majority of these schemes will not have been considered by Investment Committee which meets on 1 October. However, in order to expedite scheme delivery and to avoid any delay (the next meeting of the Combined Authority is in December 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 1 October 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.
- 1.4 In December 2018, the Combined Authority amended the terms of reference of the Investment Committee to provide for the Committee to make any decision to progress a scheme under the Leeds City Region Assurance Framework, in accordance with the scheme's bespoke approval pathway and approval route (subject to an exception relating to exceeding the cumulative total of the financial approval and tolerance levels agreed by the Combined Authority by more than 25%). This report includes information on the exercise

of the Investment Committee’s new delegated decision making role. Decisions made by Investment Committee which are for the Combined Authority’s information, and those requiring an approval decision by the Combined Authority, will be made clear in this report through being highlighted in the summary table and the recommendations where applicable.

2 Integrated Clean Growth

2.1 Through the Assurance Framework and other internal decision-making procedures, we will review and embed clean growth considerations into our activities, as referenced in **item 8** of this meeting.

2.2 We will:

- Build on the recent work to strengthen how clean growth and climate change impacts are considered as part of all new schemes that come through the Combined Authority’s Assurance Framework (Decision point 1 and 2) and we will review decision point 2 onwards and continue to strengthen clean growth considerations, including climate change impacts.
- Develop a robust quantifiable methodology for assessing all new schemes predicted carbon emissions/ wider clean growth impacts. This will include a review of all existing Combined Authority schemes and additional resource to support the development and implementation of the new assessments.
- Include clean growth, including climate change, impact assessment / considerations in all Capital Spending and Project Approvals reports from December 2019.

3 Report

3.1 This report presents proposals for the progression of 23 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 £409.853 million when fully approved, of which £196.823 million will be funded by the Combined Authority. A total expenditure recommendation to the value of £116.840 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.

<u>Scheme</u>	<u>Scheme description</u>
Halifax Bus Station Calderdale (3 September 2019 Investment Committee)	This project will replace the existing bus station facility located to the north of Halifax town centre. The scheme seeks to address known constraints and issues of the current site and deliver a station that can accommodate the predicted growth in travel in Halifax, with the proposal to include delivery of a new single fully enclosed passenger concourse, increased retail and commercial provision,

	<p>improvements to real time information, and improved access and safety measures.</p> <p>Development and delivery of this project is dependent on securing funding as part of the West Yorkshire Transforming Cities Fund (TCF) bid to the Department for Transport (DfT). Inclusion of this project in the West Yorkshire TCF bid will be confirmed by 28 November 2019. A decision on which projects receive funding is expected from the DfT in March 2020. If this project does not receive funding from the DfT, an alternative project may be considered to improve Halifax Bus Station</p> <p><u>Impact</u></p> <p>The scheme currently demonstrates a benefit cost ratio of 2.19:1 judged as High Value for Money when assessed against the DfT's value for money assessment criteria.</p> <p>The scheme's wider social benefits include health benefits, with possible provision of electric bus services and support to reducing congestion levels in Halifax town centre as result of commuters being attracted to use public transport through the improvements to station facilities. Additionally, the scheme will support a better quality of life with improved access to public transport (bus and rail) and subsequently to communities and jobs within the City Region.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 3 and work commences on activity 4 (full business case).</p> <p>Total scheme cost - £15.4 million</p> <p>Total value of Combined Authority funding - up to £566,415 (£15.4 million if TCF bid successful)</p> <p>Funding recommendation sought - £200,000</p> <p>Given that a decision on the TCF bid is expected from the DfT in March 2020, it is requested that additional development funding of £200,000 from the West Yorkshire plus Transport Fund is released now to support full business case activities, to enable the scheme to remain within delivery timescales. If the TCF bid is successful, recovery of this allocation will be sought.</p>
<p><u>Scheme</u></p> <p>Clifton Business Park Enterprise Zone</p> <p>Calderdale</p> <p>(3 September 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>The Clifton Business Park Enterprise Zone (EZ) is one of a package of sites that make up the Leeds City Region (LCR) EZ Programme. The aim of this programme is to accelerate the delivery of high quality employment sites and floorspace and supports Priority Area 4 (Infrastructure for Growth) of the Strategic Economic Plan.</p> <p>Clifton Business Park is located on the A644 close to junction 25 of the M62. The scheme involves the delivery of site infrastructure works, including a new access road, and the establishment of a series of development plots.</p> <p><u>Impact</u></p> <p>The scheme will directly deliver 118,018m² of prepared land for B1/B2/B8 development (light and general industrial and storage and distribution), 1.75km of new highways infrastructure and 1.9km of new footpaths and cycleways.</p>

	<p>It has the potential to deliver the following benefits subject to subsequent investment by the private sector in the development and occupation of new floorspace:</p> <ul style="list-style-type: none"> • 45,789m2 of new B1/B2/B8 floorspace, within 3 years of practical completion • 779 (gross) new and safeguarded jobs, within 5 years of practical completion <p>The scheme has a benefit cost ratio (BCR) of 8.1:1 which would represent high value for money.</p> <p>Additionally, the scheme will enable sustainable economic growth through making more efficient use of land allocated for employment uses, located close to the motorway network and managing traffic access into the site.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 3 and work commences on activity 5 (Full business case with finalised costs)</p> <p>Indicative total scheme cost - £33.109 million</p> <p>Total value of Combined Authority funding – Long term funding solution currently being determined</p> <p>Funding recommendation sought - £3.156 million for scheme development to decision point 5 (Full business case with finalised costs) from the Local Growth Fund</p>
<p><u>Scheme</u></p> <p>A65 Signals</p> <p>Leeds</p> <p>(3 September 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>The scheme aims to improve journey times for bus services and general traffic and increase bus use through the installation of new controls at 11 signal junctions along the corridor from Kirkstall (B6157 Savins Mill and Wyther Lane) to the A58 Inner Ring Road.</p> <p>It will be integrated into the Urban Traffic Management Control (UTMC) network to enable real-time management of traffic signals to respond to traffic conditions and is part of a long-term strategy of implementing adaptive traffic signal control on strategic routes across Leeds to enhance the benefits of the Leeds Public Transport Investment Programme (LPTIP).</p> <p>The scheme supports Priority 4 (Infrastructure for Growth) of the Strategic Economic Plan and is funded from the devolved Department for Transport (DfT) Leeds Public Transport Investment Programme. It is a priority scheme for the LPTIP programme.</p> <p>The scheme will reduce the number of vehicle stop/starts and the associated emissions.</p> <p><u>Impact</u></p> <p>The scheme has a forecast benefit cost ratio of 3.01:1 which represents 'high' value for money based on significant benefits to bus and general traffic journey time delays (17% and 12% respectively by 2024)</p> <p>The scheme's wider social benefits also include improvement in network safety and air quality and improved public transport</p>

	<p>access to employment and services for communities in areas of high deprivation</p> <p><u>Decision sought</u></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 - £1.209 million</p> <p>Total value of Combined Authority funding - £956,000</p> <p>Funding recommendation sought - £0</p>
<p>Temple Green P&R</p> <p>Leeds</p> <p>(1 October 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>Due to a high level of current and future demands, this scheme seeks to deliver up to 389 additional parking spaces at the existing Temple Green Park & Ride site, with procurement of an additional park & ride bus service.</p> <p>The scheme is to be funded from the Leeds Public Transport Investment Programme (LPTIP), with a small developer (Section 106) funding contribution.</p> <p><u>Impact</u></p> <p>The scheme seeks to increase bus patronage, with an extended car park offering capacity to encourage additional (and existing) commuters to choose the bus for journeys in to and out of Leeds city centre, supporting local and regional transport policies and strategies, including the forthcoming Clean Air Zone.</p> <p>The scheme will help reduce city centre congestion levels and support improving air quality, to provide a better quality of life for local residents and commuters. The scheme will also support improving the access to employment via a sustainable mode of travel.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case).</p> <p>Total scheme cost: £7.386 million</p> <p>Combined Authority contribution: £6.954 million</p> <p>Funding approval sought: £2.261 million</p>
<p>Castleford Growth Corridor</p> <p>Wakefield</p> <p>(1 October 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This scheme will deliver highway improvements as well as provision of new and enhanced cycle way and pedestrian footpaths along the Castleford Growth Corridor. Additionally scheme delivery is to include public realm improvements by opening up views and public access to the River Aire.</p> <p>The scheme is to be funded from the West Yorkshire plus Transport Fund.</p> <p><u>Impact</u></p> <p>Scheme delivery will support housing developments and connectivity to/from the corridor through reducing existing transport constraints, improving journey reliability, and reducing journey times. Additionally, the scheme will encourage active</p>

	<p>mode travel through delivery of increased and enhanced cycle and pedestrian provision.</p> <p>The scheme supports the inclusive growth principle of better quality of life, through improving connectivity and reducing severance issues.</p> <p>The value for money assessment reflects a benefit cost ratio of 2.3:1, judging the scheme as high value for money when assessed against the Department for Transport's value for money criteria.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case) subject to match funding being secured.</p> <p>Total scheme cost: £7.079 million</p> <p>Combined Authority contribution: £6.858 million</p> <p>Funding approval sought: £1.839 million</p>
<p>LCR Enterprise Zones - South Kirkby</p> <p>Wakefield</p> <p>(1 October 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>The South Kirkby Enterprise Zone (EZ) is one of a package of sites that make up the Leeds City Region (LCR) EZ Programme. The aim of this programme is to accelerate the delivery of high quality employment sites and floorplate and supports Priority Area 4 (Infrastructure for Growth) of the Strategic Economic Plan.</p> <p>The scheme involves a 2.64 hectare extension to the existing South Kirkby Business Park, located adjacent to the M1 and A1 in Wakefield, to develop four new industrial/warehouse units.</p> <p>The site is owned by a private sector developer who is seeking funding from the Combined Authority to bridge a gap in the viability of the scheme</p> <p><u>Impact</u></p> <p>The scheme will directly deliver 2.64 hectares of serviced employment land and 6,085m² (65,500 ft²) for industrial/warehouse use. It has the potential to generate 115 net jobs and an uplift in Gross Value Added (GVA) of £7 million per annum subject to the take-up of floorspace by occupiers/end users.</p> <p>The scheme promoter will be required to make Inclusive Growth commitments as part of any subsequent funding agreement. Additionally the scheme will ensure sustainable economic growth through making more efficient use of employment land and managing traffic access into the site.</p> <p><u>Decision sought</u></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 of Combined authority funding – up to £2.826 million</p> <p>Funding recommendation sought - £0</p>

<p>Steeton & Silsden Rail P&R Bradford (1 October 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This scheme will deliver an extension to the existing car park at Steeton & Silsden rail station, increasing the free parking capacity by 104 spaces through the installation of 2 parking decks.</p> <p>Scheme delivery is to also include CCTV provision, one fully accessible lift, enhanced draining infrastructure, increased blue badge bay provision and electrical ducting to future proof 2 electric vehicle charging bays.</p> <p>The scheme is to be funded from the West Yorkshire plus Transport Fund.</p> <p><u>Impact</u></p> <p>Scheme delivery will encourage existing and new users to choose the train as a sustainable mode of transport for onward journeys, supporting the reduction in congestion levels and improving air quality.</p> <p>Supporting better air quality is one of the inclusive growth principles the scheme will support, as well as improving the access and connectivity to employment and communities via public transport.</p> <p>The value for money assessment reflects a benefit cost ratio of 1.8:1, judging the scheme as medium value for money when assessed against the Department for Transport's value for money criteria.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 5 (full business case with finalised costs and work commences on activity 6 (delivery)).</p> <p>Total scheme cost: £3.879 million</p> <p>Combined Authority contribution: £3.879 million</p> <p>Funding approval sought: £3.768 million (£110,000 approved to date)</p>
<p><u>Scheme</u> A61 (South) Corridor Leeds (1 October 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>The scheme consists of a series of improvements along the A639 and A61 between M621 Junction 7 and the junction of A61 Great Wilson Street and Meadow Lane. It includes the provision of new bus lanes along the corridor (in both directions), bus priority measures at signals, improvements to the Thwaite Gate junction, dedicated walking and cycling facilities together with improvements to urban realm and green infrastructure.</p> <p>The scheme supports the delivery of Priority 4 (Infrastructure for Growth) of the Strategic Economic Plan (SEP), increasing connectivity, improving access to jobs and services, reducing carbon emissions and supporting further economic growth in the Aire Valley and Southbank areas of Leeds</p> <p><u>Impact</u></p> <p>The scheme has a forecast benefit cost ration of 2.1:1 which represents high value for money based on significant potential</p>

	<p>benefits to bus users and those walking and cycling in the corridor.</p> <p>It will improve bus journey times and reliability (especially during peak periods), increasing bus patronage and the share of non-car modes (public transport, cycling and walking) using the corridor.</p> <p>This will potentially remove 263,000 car kilometres from the road network into Leeds City Centre each year and, together with the continued investment in low emission buses (including a fleet of ultra-low emission electric buses operating from the proposed Stourton Park & Ride site), the scheme will also help to improve air quality and health outcomes in the surrounding areas.</p> <p>The scheme will improve access to jobs, training and services in the corridor catchment area and lead to a reduction in the number and severity of accidents along the corridor as a result of changes to the highways layout and prioritisation measures, including additional space for cycling and walking</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 4 (full business case) and work commences on activity 5 (Full business case with finalised costs).</p> <p>Total value - £18.247 million</p> <p>Total value of Combined Authority funding - £18.037 million</p> <p>Funding recommendation sought - £0</p>
<p>East Leeds Orbital Route (ELOR)</p> <p>Leeds</p> <p>(1 October 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This scheme is phase 2: East Leeds Orbital Road - a new 7km dual carriageway that will stretch from the ORR at Red Hall round the east side of Leeds to Thorpe Park (A612/A61), joining up with the Manston Lane Link Road. This will be a 50mph route complete with enhanced landscaping together with pedestrian and cycle infrastructure. Construction is to commence December 2019.</p> <p>The scheme is to be funded from the West Yorkshire plus Transport Fund.</p> <p><u>Impact</u></p> <p>As a result of the scheme, it is expected to reduce congestion levels on the outer ring road, enabling opportunity to make active travel enhancements to the A6120. To accommodate the strategic orbital traffic and the ELE housing development, the Manston Lane Link Road is also to be expanded.</p> <p>The scheme supports inclusive growth of a better quality of life with improved transport connectivity to communities and employment, an enhanced urban environment with improved public realm (including a major new housing development), and improved health through reduction in congestion levels and enhanced active travel provision. Environmental benefits include the provision of a green corridor for pedestrians, cyclists and equestrians.</p> <p>The value for money assessment when assessed against the Department for Transport's value for money criteria reflects an</p>

	<p>initial benefit cost ratio (BCR) of 1.9:1 (medium value for money), with an adjusted BCR of 5:1 (very high value for money) when accounting for wider scheme benefits.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 5 (full business case with finalised costs) and work commences on activity 6 (delivery).</p> <p>Total scheme cost: £147.49 million</p> <p>Combined Authority contribution: £90.330 million</p> <p>Funding approval sought: £64.473 million (£25.857 million already approved)</p>
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3.2 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.

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

3.4 Since the Combined Authority’s meeting on 1 August 2019, the following decision points and change requests have been assessed in line with the Combined Authority’s assurance process and approved through the agreed delegation to the Combined Authority’s Investment Committee.

<u>Scheme</u>	<u>Scheme description</u>
<p>Bradford City Centre Heritage Properties (Conditioning House)</p> <p>Bradford</p> <p>(3 September 2019 Investment Committee)</p>	<p>The refurbishment of Conditioning House, a Grade II Listed Victorian warehouse building, will deliver new homes and commercial floorspace in a key location in Bradford city centre. It will be funded through the Local Growth Fund and is the first property to come forward through the wider Bradford City Centre Heritage Properties scheme.</p> <p>It supports SEP Priority 4 (Infrastructure for Growth)</p> <p><u>Decision</u></p> <p>Approval to proceed through decision point 3 (outline business case) and work commences on activity 5 (full business case with finalised costs)</p> <p>Total value - £13.847 million</p> <p>Total value of Combined Authority funding - £1.5 million</p> <p>Funding approval - £0</p>

<p><u>Scheme</u></p> <p>Leeds Flood Alleviation Scheme 2</p> <p>Leeds</p> <p>(3 September 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This scheme will reduce flood risk to residential, commercial property and infrastructure assets along the River Aire in Leeds enabling the river to become an asset rather than a threat for business and communities. Through a series of linear defences it will provide protection against a 1 in 100 year flood event for the upstream section of the river between Leeds Railway Station and Newlay beyond Kirkstall corridor to the west of the city.</p> <p>The scheme is funded through the Combined Authority's Local Growth Fund</p> <p>It supports SEP Priority 4 (Infrastructure for Growth)</p> <p><u>Decision</u></p> <p>Approval to proceed through decision point 5 and work commence on activity 6 (delivery).</p> <p>Total value - £76.390 million</p> <p>Total value of Combined Authority funding - £3.9 million</p> <p>Funding approval - £3.9 million</p>
<p><u>Scheme</u></p> <p>Gain Lane Enterprise Zone</p> <p>Bradford</p> <p>(3 September 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>The Gain Lane Enterprise Zone (EZ) is one of a package of sites that make up the Leeds City Region Enterprise Zone (EZ) Programme. The aim of this programme is to accelerate the delivery of high quality employment sites and floorspace and supports Priority Area 4 (Infrastructure for Growth) of the Strategic Economic Plan.</p> <p>Gain Lane, Bradford is a vacant site located 3.5 miles south east of Bradford city centre. The Gain Lane scheme seeks Local Growth funding to be approved to fill a gap in the business case development appraisal, specifically to support site access and infrastructure works including earthworks, site drainage works and connections to existing, landscaping and new access road to unlock the site.</p> <p><u>Decision</u></p> <p>Approval to proceed through decision point 5 and work commences on activity 6 (delivery).</p> <p>Total value – Combined Authority funding plus substantial private sector investment</p> <p>Total value of Combined Authority funding – up to £9.877 million, (subject to ongoing monitoring of the development)</p> <p>Funding approval – up to £9.877 million</p>
<p><u>Scheme</u></p> <p>A62 / A644 (Wakefield Road) Link Road</p> <p>Kirklees</p> <p>(3 September 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>Cooper Bridge is one of the most important Gateways into Huddersfield. The A62 is one of the main transport routes into and out of Huddersfield and provides key access to the M62 corridor. The existing A62 / A644 Cooper Bridge junction is a signalised three-armed roundabout. The roundabout and the surrounding road network are known to be severely congested in both the AM and PM traffic peaks.</p>

	<p>Proposed works</p> <ul style="list-style-type: none"> • Remove large volumes of motorway bound traffic and re-routing them away from Cooper Bridge and onto the link road. • Highway junction improvements works • Construction of a link road • Widening of A644 Wakefield Road and A62 Leeds Road <p><u>Decision</u></p> <p>Activity 3 change request for additional funding to support project development costs towards developing the outline business case and for an extension on time from November 2018 to October 2020 for outline business case submission</p> <p>To increase total approved Combined Authority funding to £965,000 for development costs from £750,000 (an increase of £215,000)</p> <p>Funding approval - £215,000</p>
<p><u>Scheme</u></p> <p>A629 Phase 2</p> <p>Calderdale</p> <p>(3 September 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This scheme is phase 2 of a wider series of interventions along the A629 Halifax - Huddersfield corridor.</p> <p>The scheme is to be funded from the £120.6 million West Yorkshire plus Transport Fund allocation to the A629 corridor programme.</p> <p><u>Decision</u></p> <p>Activity 4 change request for additional funding to support project development costs towards a detailed re-design of the Piece Gardens on the Eastern Corridor to include the recently Grade II listed Hughes Corporation Building.</p> <p>To increase total approved Combined Authority funding to £3.613 million from £2.981 million (an increase of £632,000).</p> <p>Funding approval - £632,000</p>
<p><u>Scheme</u></p> <p>Corridor Improvement Programme - A58/A672</p> <p>Calderdale</p> <p>(3 September 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This scheme seeks to deliver a package of small-scale transport interventions on the A58/A672 corridor focused on highway improvements, along with improving facilities for active modes.</p> <p>This scheme is part of the Corridor Improvement Programme fund, funded through the West Yorkshire plus Transport Fund.</p> <p><u>Decision</u></p> <p>Activity 4 change request approval to the revised delivery timescales - completion (decision point 6) is now forecast for May 2022 from March 2021, reflecting a 14 month delay due to limited resources and unexpected highways works.</p> <p>Funding approval - £0</p>

<p><u>Scheme</u></p> <p>Corridor Improvement Programme - A646/A6033</p> <p>Calderdale</p> <p>(3 September 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This scheme seeks to deliver a package of highway improvements to address identified pinch-points on the A646/A6033 corridor.</p> <p>This scheme is part of the Corridor Improvement Programme fund, funded through the West Yorkshire plus Transport Fund.</p> <p><u>Decision</u></p> <p>Activity 4 change request approval to the revised delivery timescales – completion (decision point 6) - which is now forecast for May 2022 from March 2021, reflecting a 14 month delay due to limited resources and unexpected highways works.</p> <p>Funding approval - £0</p>
<p><u>Scheme</u></p> <p>York Guildhall</p> <p>York</p> <p>(3 September 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This scheme will create high quality office space, with retained council use, meeting and events space and associated commercial development in an iconic historic complex on York riverside. The scheme is funded by the Local Growth Fund (LGF).</p> <p><u>Decision</u></p> <p>Activity 6 change request to approve amendments to the project timeframe from December 2018 to March 2021.</p> <p>Total value - £20.197 million</p> <p>Total value of Combined Authority funding - £2.347 million</p> <p>Funding approval - £0</p>
<p>City Connect phase 3 - Cooper Bridge Links</p> <p>Kirklees</p> <p>(1 October 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>The project will deliver a 6.5km cycle and walking route between the settlements of Bradley and Brighouse crossing the Kirklees and Calderdale border. The route will predominantly be delivered off the highway but provide strategic links to the highway network.</p> <p>The scheme is to be funded through the West Yorkshire plus Transport Fund.</p> <p><u>Decision</u></p> <p>Approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case).</p> <p>Total scheme cost: £2.328 million</p> <p>Combined Authority contribution: £1.862 million</p> <p>Funding approval: £350,000</p>
<p>Headrow City Centre Gateway</p> <p>Leeds</p> <p>(1 October 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>The Headrow City Centre Gateway scheme will enhance a major gateway to Leeds city centre for bus users, pedestrians, and cycle users, through a series of bus infrastructure, public realm, pedestrian and cycling improvements.</p>

	<p>The scheme will be funded through the Leeds Public Transport Investment Programme.</p> <p><u>Decision</u></p> <p>Approval to proceed through decision point 4 (full business case) and work commences on activity 5 (full business case with finalised costs).</p> <p>Total scheme cost: £22.75 million</p> <p>Combined Authority contribution: £22.75 million</p> <p>Funding approval: £0</p>
<p>Stourton P&R</p> <p>Leeds</p> <p>(1 October 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This scheme will deliver a new park & ride site capable of accommodating up to 1200 vehicles. The site will be fully electric, with solar panel provision to operate the site and support charging to run the fully electric bus services to/from Leeds city centre. In addition to the parking provision, the site will also include electric charge points for vehicles, waiting facilities, cycle stands, cycle lockers, and mobility scooter lockers. Implementation of dedicated walking and cycling facilities will also be delivered through the scheme, to provide enhanced connectivity to/from the park & ride site and to the Leeds cycle network.</p> <p>The scheme will be funded through the Leeds Public Transport Investment Programme.</p> <p><u>Decision</u></p> <p>Approval to proceed through decision point 4 (full business case) and work commences on activity 5 (full business case with finalised costs).</p> <p>Total scheme cost: £36.99 million</p> <p>Combined Authority contribution: £34.16 million</p> <p>Funding approval: £0 (£2.935 million secured at outline business case is sufficient to fund business case development costs to full business case with finalised costs)</p>
<p>Rail Park & Ride Programme - Mytholmroyd</p> <p>Calderdale</p> <p>(1 October 2019 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This scheme forms part of the Rail Park and Ride Programme and will create a new car park consisting of 193 additional car parking spaces, 10 new blue badge spaces, cycle stands and future proofing for electric charging bays at Mytholmroyd Rail Station.</p> <p>The scheme is funded from the West Yorkshire plus Transport Fund and supports SEP Priority 4 (Infrastructure for Growth).</p> <p><u>Decision</u></p> <p>Activity 6 change request to a) increase the total scheme cost from £3.64 million to £3.952 million and b) extend the delivery timeframe from December 2019 to December 2020.</p> <p>Total value – £3.952 million</p> <p>Total value of Combined Authority funding – £3.952 million</p> <p>Funding recommendation sought - £312,136</p>

4 Information

- 4.1 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**.
- 4.2 Location maps for each of the schemes presented in this report (where applicable) are provided in **Appendix 2**.
- 4.3 All the schemes set out in this report have been considered by the Investment Committee on 3 September 2019 and 1 October 2019.

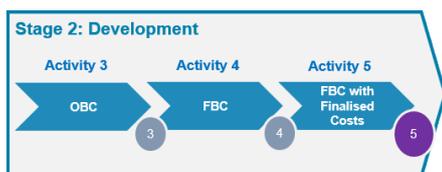
Programmes and projects for consideration

Projects in stage 1: Eligibility



- 4.4 There are no schemes requiring consideration at this assurance stage.

Projects in Stage 2: Development



- 4.5 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.

Project Title	Halifax Bus Station
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

- 4.6 This project will replace the existing bus station facility which is located to the north of Halifax town centre on the junctions of Broad Street/Northgate and with Winding Road.
- 4.7 The bus station scheme originally formed part of the A629 phase 2 package, which comprises the Halifax town centre proposal, but only as a refurbishment scheme. However with the opportunity to progress the scheme as part of the West Yorkshire Transforming Cities Fund (TCF), the promoter has proposed a new bus station. The bus station preferred option remains complementary to the overarching A629 phase 2 plans, and supports delivery of the desired benefits and outcomes, specifically the proposed implementation of a one-way bus box, dedicated bus lanes and pedestrianisation of Market Street.
- 4.8 The primary deliverable of the bus station project is the construction of a new single fully enclosed passenger concourse, to provide easy interchange between bus services, a safe and secure waiting environment, and level walking routes for all users, addressing known constraints and issues of the current site.

- 4.9 Through scheme delivery, the project will improve the customer experience, improve public accessibility and safety, and improve bus to bus and bus to rail interchange, encouraging the use of public transport, supporting local and regional transport strategies and policies, including SEP priority area 4 'Infrastructure for Growth'. The scheme is also forecast to generate additional income to the Combined Authority through increased commercial and retail provision.
- 4.10 Stakeholder consultation and engagement on the new bus station is planned to be undertaken during the latter half of 2019.
- 4.11 To date project development costs of £366,415 to progress the scheme to outline business case have been funded through the West Yorkshire plus Transport Fund, with an additional £200,000 now sought to support full business case development activities.

Outputs, benefits and inclusive growth implications

- 4.12 The scheme outputs and benefits include:
- A new single fully enclosed passenger concourse, with easy interchange between bus services, a safe and secure waiting environment, and level walking routes for all users.
 - Better connectivity to key destinations across the town centre such as the new sixth form college, Dean Clough and Piece Hall.
 - Provision of improved real-time information, including rail travel, to better integrate these modes.
 - An 'Electric Bus Station' that will be ready for the introduction of electric buses upon opening.
 - Increased retail and commercial provision to increase income to the Combined Authority.
 - A bus station that can accommodate the predicted growth in travel in Halifax.
 - A benefit cost ratio of 2.19:1 which reflects a high Value for Money scheme when assessed against the Department for Transport's value for money criteria.
 - Wider social benefits include better quality of life with improved access to public transport (bus and rail) and subsequently to communities and jobs, and health benefits with possible provision of electric bus services and reduction in congestion levels through increase uptake of bus users.

Risks

- 4.13 Scheme risks include:
- That the TCF bid is unsuccessful. The bus station project as per the current proposal would be unaffordable from the transport fund allocated

to the A629 corridor programme. Therefore, other possible scenarios and options that have been explored that could be implemented.

- Disruption to tenant's requirements and rights within their lease. A comprehensive programme of consultation with stakeholders will be undertaken to ensure all requirements and rights are understood and accommodated where possible.
- Unforeseen ground and site conditions. A full survey will be undertaken prior to demolition to provide an early warning of any impact on cost.

Costs

- 4.14 The total forecast scheme cost at outline business case is £15.4 million. Delivery of the scheme is dependent on securing funding as part of the West Yorkshire Transforming Cities Fund (TCF).
- 4.15 The scheme secured funding up to £366,415 from the West Yorkshire Transport Fund to progress to outline business case (decision point 3). An additional £200,000 is now sought to progress the scheme to full business case (decision point 4) from the West Yorkshire Transport Fund.
- 4.16 Given that a decision on the TCF bid is expected from the DfT in March 2020, it is requested that development funding from the West Yorkshire plus Transport Fund is released now to support full business case activities to enable the scheme to remain within delivery timescales. If the TCF bid is successful, it may be possible to pay back this allocation.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
3 (Outline business case)	Recommendation: Investment Committee Decision: Combined Authority	10/10/2019
4 (Full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	31/03/2020
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	30/09/2020

Assurance Tolerances

Assurance tolerances
Any increase to Combined Authority costs remain within 10% of that set out in this report. Timescales remain within 6 months of that set out in this report.

Project responsibilities

Senior Responsible Officer	Mark Gregory, Calderdale Council
Project Manager	Mark Auger, Combined Authority
Combined Authority case officer	Asif Abed

Appraisal summary

- 4.17 The strategic drivers for investment and proposed interventions are well presented, demonstrating the constraints and issues that need addressing to encourage an increase in passenger numbers, improve bus rail access, and to accommodate the future growth in Halifax, with better connectivity to housing and employment opportunities. Public consultation and member engagement is due to take place in second half of 2019.
- 4.18 The proposed design is complementary to the A629 Halifax town centre package, and supports delivery of the outputs and benefits of the A629 corridor programme and the wider local and regional transport strategies, including the City Region SEP headline indicator 'Infrastructure for Growth'. A refined delivery programme to be established at full business case, which will need to take in to account scheme interfaces with the A629 phase 2 Halifax town centre project.
- 4.19 The economic case value for money assessment reflects a benefit cost ratio of 2.19:1, judged as high value for money against the Department for Transport's value for money criteria. Further work to refine the economic case, including estimation of benefits when considering the A629 phase 2 Halifax town centre proposal, is to be undertaken as part of full business case.
- 4.20 The financial case reflects robust cost assumptions to support estimated scheme costs. Consideration has previously been given to possible scenarios should the TCF application be unsuccessful.

Recommendations

- 4.21 The Combined Authority approves that:
- (i) The Halifax Bus Station scheme proceeds through decision point 3 and work commences on activity 4 (full business case).
 - (ii) An indicative approval to the total project value of £15.4 million is given, with delivery funding dependent on the TCF bid outcome, 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 £200,000 are approved from the West Yorkshire plus Transport Fund in order to assist in the progress of the scheme to decision point 4 (full business case), taking total approval to £566,415.

- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report including at decision point 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

Project Title	Clifton Business Park Enterprise Zone
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

- 4.22 This funding sought for development costs is funded through the Local Growth Fund (LGF). The purpose of this funding is to attract the next generation of jobs and deliver a step change to the growth of the City Region. The Growth Deal enables implementation of the priorities set out in the Strategic Economic Plan (SEP) including the development of housing and commercial sites, expansion of a skilled workforce, support to growing businesses, promotion of resource efficiency and investment in integrated transport (through the West Yorkshire plus Transport Fund).
- 4.23 Enterprise Zones are part of the Government’s wider Industrial Strategy, aimed at supporting businesses and enabling local economic growth by establishing themselves as a driving force of local economies, unlocking key development sites, consolidating infrastructure, attracting business and creating jobs. The Leeds City Region Enterprises Zones have been established following a competitive application process to the Ministry of Housing, Communities and Local Government (MHCLG). Once built out, each Enterprise Zone site will generate business rates income for the Leeds Enterprise Partnership which can be reinvested into other strategic objectives.
- 4.24 The Clifton Business Park Enterprise Zone (EZ) is one of a package of 10 sites that make up the Leeds City Region (LCR) EZ Programme. The principal aim of this programme is to accelerate the delivery of high quality employment sites and floorspace in SEP Spatial Priority Areas, with a focus on supporting the generation of new jobs in advanced manufacturing and associated sectors. Phase 1 Enterprise Zones run until 2037 (for business rate returns to the Combined Authority) and phase 2 until 2042. Clifton Business Park EZ is part of phase 2 of the programme. The Combined Authority acts as the accountable body for the EZ Programme.
- 4.25 Clifton Business Park EZ is located on the A644 close to junction 25 of the M62. It is a sloping site which has had previous industrial and railway uses but

is currently used as grazing land and is allocated for B1, B2 and B8 (light and general industrial and storage and distribution) employment uses in the Calderdale Local Plan. The scheme involves the delivery of site infrastructure works, including a new access road, and the establishment of a series of development plots.

- 4.26 Due to the level of challenges on site and the high risk of ability to deliver within the Growth Deal timeframe, the Combined Authority are continuing to work with Calderdale Council to find a long term funding solution for bringing forward the full scheme at Clifton, above and beyond the funding sought at decision point 3 in this report.
- 4.27 There are significant 'abnormal' development costs associated with the site's topography and its previous uses, which have prevented the site being brought forward for employment use by the private sector despite strong evidence of market demand from potential occupiers.
- 4.28 Calderdale Council are currently negotiating to acquire the site from its current owner. Given the potential scale of public sector investment required to bring forward serviced plots to the market, and the need to ensure State Aid compliance, the scheme will be delivered by Calderdale Council rather than a private sector owner/developer as was the case with the Gain Lane EZ scheme.
- 4.29 Calderdale Council along with the Combined Authority are currently reviewing the variations of the preferred option in order to mitigate potential delivery risks. The preferred approach will be presented in the full business case.
- 4.30 Once completed, serviced development plots will be sold or leased at open market value - subject to development agreement(s) specifying the scope and timing of development to ensure that the new employment floorspace is delivered in accordance with requirements of the EZ Programme and Combined Authority LGF funding.

Outputs, benefits and inclusive growth implications

- 4.31 The full scheme has the potential to deliver the anticipated direct outputs of:
- 118,018m² of land prepared for B1/B2/B8 development
 - 1.75km of new highways infrastructure
 - 1.9km of new footpaths and cycle ways
- 4.32 Subject to identifying future public sector funding streams and subsequent investment by the private sector the following benefits could be realised: -
- Up to 45,789m² of new B2/B2/B8 floorspace, within 3 years of practical completion
 - Up to 779 (gross) new and safeguarded jobs, within 5 years of practical completion

- 4.33 Additionally the scheme will enable sustainable economic growth through making more efficient use of employment land and managing traffic access into the site.

Risks

- 4.34 The key scheme risks and how these are being managed/mitigated is set out below.
- *Legal risk* - scheme promoter unable to secure the site - mitigated by the Council taking advice on the potential Compulsory Purchase Order (CPO) in the event that a negotiated acquisition cannot be achieved. Any CPO process would take the scheme outside of Local Growth Fund timeframes for available funding.
 - *Financial risks* - scheme cost increases from indicative design – mitigated by including both a contingency amount and a quantified risk assessment in the scheme cost plan at decision point 3 (outline business case).
 - *Funding risk* - Scheme delivery outside of the Growth Deal timeframe – mitigated by proactive engagement and collaborative working between Calderdale Council and the Combined Authority and public and private sector partners
 - *Local Growth Fund objectives risk* - due to significant challenges and constraints on site, the outputs and benefits identified above are at risk of not being delivered by 2025 as required by Local Growth Fund objectives – mitigated by securing development funding to enable the scheme to progress whilst a longer term funding strategy is identified.
 - *Planning risk* - delay in securing outline planning consent of the scheme – mitigated by early dialogue with the Local Planning Authority (LPA) and key stakeholders
 - *Market risk* – delay in securing the development of serviced plots for employment floorspace – mitigated by market demand assessments and direct engagement with potential occupiers/end users

Costs

- 4.35 The estimated total cost of the scheme is £33.109 million. Calderdale Council has secured £4.494 million (14%) from the National Productivity Investment Fund (NPIF) to contribute specifically to the cost of the new site access road. The Combined Authority are continuing to work with Calderdale Council to find a long term funding solution for bringing forward the full scheme.
- 4.36 The Combined Authority has contributed £200,000 in development costs at decision point 2 (case paper) to take the scheme forward to decision point 3 (outline business case). The scheme promoter is seeking a further £3.156 million of development funding to progress the scheme through to decision point 5 (full business case with finalised costs). This includes the cost of acquiring the site, detailed design and procurement of technical specialists

and consultants to develop a comprehensive full business case with finalised costs.

- 4.37 The EZ programme is a specific named priority in the Growth Deal, with pre-designated and government agreed sites within the programme. These unique arrangements support the case for reasonable and proportionate development costs to be considered for the EZ sites. The programme has approval for £1.9 million of development costs which are being committed at programme level to support the acceleration of EZ sites within the portfolio. The development costs funding requested as part of this recommended approval is site specific to Clifton and outside the programme level approval.
- 4.38 Once built out, each Enterprise Zone site will generate business rates income for the Leeds Enterprise Partnership which can be reinvested into other strategic objectives.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
3 (Outline business case)	Recommendation: Investment Committee Decision: Combined Authority	10/10/2019
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	11/09/2020

Other Key Timescales

- Full planning consent secured – April 2020

Assurance Tolerances

Assurance tolerances
Any increase to Combined Authority costs remain within 5% of that set out in this report. Timescales should remain within 6 months of the timescales set out in this report Measurable outputs and benefits should remain within 20% of the forecast set out at decision point 3 (Outline business case)

Project responsibilities

Senior Responsible Officer	Kate Thompson, Combined Authority
Project Manager	Robert Summerfield, Calderdale Metropolitan District Council
Combined Authority case officer	Ian McNichol

Appraisal summary

- 4.39 The scheme has a strong strategic case and a clear rationale for public sector intervention to address unmet market demand and stimulate take-up of employment floorspace in the area. The scheme is State Aid compliant and the procurement route will be confirmed at the next stage of the assurance pathway.
- 4.40 The economic case for the scheme is based on the potential to generate significant direct and indirect benefits, including 779 (gross) new jobs, and deliver a GVA (Gross Value Added) based benefit cost ratio (BCR) of 8:1. At the next stage of the assurance pathway the economic case should reflect the net additional benefits of the scheme supplemented by an assessment of the potential uplift in land values resulting from the proposed works.
- 4.41 The EZ Programme has secured an indicative approval of £45.044 million from Local Growth Fund. In addition the Combined Authority could potentially benefit from up to £16 million through the retention of business rates at Clifton Business Park in the period up to 2042 if the site comes forward at pace. Members are asked to note that the scheme is unlikely to spend £33 million (total scheme cost) before March 2021 which is when Growth Deal funding for non-transport schemes is scheduled to end. Hence an indicative future allocation is not recommended at this stage. The specific source of funding for the remaining total scheme costs will be confirmed at the next stage of the assurance process, together with tendered prices.
- 4.42 Calderdale Council will lead the scheme and key delivery constraints and risks are understood and quantified. It will operate within the existing EZ Programme governance structure led by the Combined Authority.

Recommendations

- 4.43 That the Combined Authority approves that:
- (i) The Clifton Business Park (Enterprise Zone) scheme proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
 - (ii) Development costs of £3.156 million are approved in order to assist in the progress of the scheme to decision point 5 (full business case with finalised costs), taking total approval to £3.356 million.
 - (iii) The Combined Authority enters into a funding agreement with Calderdale Council for expenditure of up to £3.356 million from the Local Growth Fund.
 - (iv) 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	A65 Signals
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

- 4.44 This scheme forms part of the Leeds Public Transport Investment Programme (LPTIP), a £173.5 million programme using devolved Department for Transport funding supplemented with contributions from Leeds City Council and the Combined Authority. This programme aims to support economic growth by unlocking transport constraints, improve public transport journey times and usage and improve health outcomes by reducing overall transport emissions.
- 4.45 The A65 Signals scheme involves the installation of new controls at 11 signalised junctions (with communication ducts between the junctions) along the corridor from Kirkstall (B6157 Savins Mill and Wyther Lane) to the A58 Inner Ring Road. It will be integrated into the West Yorkshire UTM (Urban Traffic Management Control) network to enable real-time management of traffic signals to respond to traffic conditions
- 4.46 The scheme is an extension of a scheme Leeds City Council are currently delivering on the A65/A647 in north west Leeds with funding from the National Productivity Investment fund (NPIF), and is part of a long-term strategy of implementing adaptive traffic signal control on strategic routes across Leeds to enhance the benefits of LPTIP.
- 4.47 The primary objectives of the scheme are to improve journey times for bus services as well as general traffic and contribute to the wider LPTIP target of doubling bus patronage by 2026. These support the delivery of Priority 4 (Infrastructure for Growth) of the Strategic Economic Plan (SEP). The scheme also aims to improve air quality along the A65 corridor, improve road network safety for all users and support economic growth by improving access to employment and training opportunities. The scheme forms part of the LPTIP Bus Infrastructure Package which received decision point 2 approval from the Combined Authority on 29 June 2017.

4.48 Leeds City Council is the promoter of the scheme and it will be delivered by their contractor.

Outputs, benefits and inclusive growth implications

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

- A reduction in bus journey time delays along the A65 corridor of 17% by 2024
- Improvements in bus journey reliability, increasing bus patronage and enhancing the passenger experience
- A reduction in congestion and journey time delays for general traffic of 12% by 2024
- Improvement in network safety and air quality (removing over 29,000 vehicle km/annum from the road network as a result of modal shift)
- Improved public transport access to employment and services for communities in areas of high deprivation

4.50 The forecast benefit cost ratio (BCR) of the scheme is 3.01:1 which represents 'high' value for money (VfM). The benefits that will accrue from the scheme will be measured three years after practical completion in March 2021.

4.51 A journey time monitoring system has recently been installed to cover the scheme extents and this, along with bus automatic vehicle location (AVL) data, will provide a robust monitoring and evaluation tool as the scheme progresses.

Risks

4.52 The key risks to the delivery of the scheme and associated mitigation measures are:

- *Governance risk* - limited stakeholder engagement impacts on the overall performance of the system. Mitigation - utilise experience and best practice from the NPIF scheme and wider UTMC improvements to ensure that the new system is fully supported across key stakeholders including bus operators
- *Technical risk* – insufficient maintenance arrangements in place for the proposed systems affecting its operational effectiveness. Mitigation - existing maintenance plans for the UTMC and field equipment support will be extended to cover the new system
- *Benefits realisation risk* – effectiveness and benefits of the new system remain unrealised. Mitigation – existing evidence demonstrates that a number of locations have benefitted from the system and that the likelihood of success can be increased through effective modelling of locations beforehand.

Costs

- 4.53 The total cost of the scheme is £1.209 million. The Combined Authority will fund £956,000 from the devolved Department for Transport LPTIP fund. The remaining scheme costs will be funded by Leeds City Council.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
3 (Outline business case)	Recommendation: Investment Committee Decision: Combined Authority	10/10/2019
4 (Full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	30/12/2019
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	14/02/2020

Other Key Timescales

- Scheme design completed – April 2020
- Scheme works (signal and ducting) commence – September 2020
- Practical completion – March 2021

Assurance Tolerances

Assurance tolerances
Any increase to Combined Authority costs remain within 10% of that set out in this report. Timescales remain within 3 months of the timescales set out in this report

Project responsibilities

Senior Responsible Officer	Gary Bartlett, Leeds City Council
Project Manager	Joel Dodsworth, Leeds City Council
Combined Authority case officer	Ian McNichol

Appraisal summary

- 4.54 The scheme has a strong strategic case in terms of the need/demand to reduce congestion, improve journey times and reduce carbon emissions and is

closely aligned with the objectives of the SEP and associated transport strategies and plans.

- 4.55 The scheme has the potential to generate a benefit cost ratio of 3:1 which demonstrates high value for money when assessed against the Department for Transport's criteria. The economic appraisal will be further refined and substantiated at the next stage of the assurance pathway.
- 4.56 The use of LPTIP funding is supported by the Bus Infrastructure Package Board as a priority scheme. Scheme governance and delivery arrangement (as an extension to the NPIF scheme) are in place and further assessment of scheme-specific risks should be provided at the next stage of the assurance pathway

Recommendations

- 4.57 That the Combined Authority approves that:
- (i) The A65 Signals scheme proceeds through decision point 3 (outline business case) and work commences on activity 4 (full business case).
 - (ii) An indicative approval of £956,000 is given from the LPTIP 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 scheme cost is £1.209 million
 - (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report including at decision point 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

Project Title	Temple Green 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

- 4.58 This scheme forms part of the Leeds Public Transport Investment Programme, a £183.5 million programme using devolved Department for Transport funding supplemented with contributions from Leeds City Council and the Combined Authority. This programme aims to support economic growth by unlocking transport constraints, improve public transport journey times and usage and improve health outcomes by reducing overall transport emissions.
- 4.59 The Temple Green Park & Ride (P&R) site is located approximately 7km to the east of Leeds city centre, in the Aire Valley adjacent to the A63 Pontefract Lane, catering for trips from the areas to the northeast, east, southeast and southwest of the city, with access via Junction 45 of the M1 motorway.
- 4.60 The P&R facility first opened in June 2017 and currently has a capacity of 1000 spaces. User numbers have continued to rise since opening, with the site now regularly achieving a daily demand of more than 900 vehicles.
- 4.61 The scheme will deliver up to an additional 389 parking spaces, taking the total number of spaces to 1389. The proposal has been informed by an independent demand forecasting report on future user demand, which concluded a possible need for circa 1450 spaces by 2036.
- 4.62 Delivery of the Temple Green P&R extension will support addressing some of the transport challenges faced by commuters, primarily congestion and access to employment. Increasing the car park capacity will encourage additional (and existing) commuters to complete their journeys by bus, and in the process reduce congestion, improve journey times, and support better air quality, deemed as significant constraints to the attractiveness of the city centre for both current and prospective employers.
- 4.63 The scheme supports the priority area 4 Infrastructure for Growth of the Leeds City Region Strategic Economic Plan.

4.64 The scheme has come forward at outline business case with a total scheme cost forecast of £7.386 million, with the Combined Authority to contribute £6.954 million from the Leeds Public Transport Investment Programme (LPTIP).

Outputs, benefits and inclusive growth implications

4.65 The scheme outputs and benefits include:

- The scheme will contribute to the ambition to double bus patronage within West Yorkshire, leading to increased use of sustainable modes of travel and encourage the change in travel patterns due to improved journey times and reliability.
- Improved environmental conditions along roads to and from Leeds city centre (thereby supporting the Clean Air Zone).
- The economic assessment reflects a benefit cost ratio of 1.74:1, judging the scheme as medium value for money when assessed against the Department for Transport's value for money criteria.
- The scheme will deliver inclusive growth principles such as better quality of life through improving the air quality for local residents and commuters, as well as improving connectivity and enhancing access to employment through a sustainable mode of travel.

Risks

4.66 Scheme risks include:

- Budget - Cost estimate may exceed anticipated costs at outline business case. Close engagement with delivery partner to be maintained in the development of detailed design.
- Planning - Improvement works may be required to the M1 Junction 45. Transport assessment being prepared in support of the planning application which will identify whether such improvements are required.
- Planning - Preliminary surveys cannot rule out the presence of Great Crested Newts. Identify presence of protected species/flora/fauna early then design mitigation early in design process.

Costs

4.67 The total forecast scheme cost at outline business case (decision point 3) is £7.386 million.

4.68 The Combined Authority is to fund £6.954 million through the Leeds Public Transport Investment Programme (LPTIP), with a £432,000 Section 106 developer contribution, subject to planning.

- 4.69 At outline business case, the promoter seeks approval of £2.261 million, of which £841,000 is to fund business case development costs to decision point 5 (full business case with finalised costs), and £1.42 million land acquisition costs (land required for scheme delivery).
- 4.70 The Combined Authority to enter in to a variation of the existing funding agreement with Leeds City Council, which is in place to facilitate LPTIP schemes coming forward through the assurance process.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
3 (Outline business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority	10/10/2019
4 (Full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	20/12/2019
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	29/05/2020

Other Key Timescales

- Construction commence date of June 2020.
- Construction complete date of March 2021.

Assurance Tolerances

Assurance tolerances
That increase to scheme costs remain within 10% of that set out in this report That programme delivery timescales remain within 3 months to that set out in this report.

Project responsibilities

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

Appraisal summary

- 4.71 At outline business case, the strategic drivers for investment and inclusion in to the Leeds Public Transport Investment Programme are well presented, with the scheme demonstrating support to the delivery of local and regional transport fund policies and strategies, including the forthcoming Clean Air Zone - and priority area 4 'Infrastructure for Growth' of the Leeds City Region Strategic Economic Plan.
- 4.72 The commercial case provides strong justification for market uptake, validating the proposed delivery of an additional 389 parking spaces through the existing monitoring in place and through an independent assessment of various scenarios to inform the future demand forecast.
- 4.73 The scheme cost, including land acquisition costs, has been clearly presented, with the promoter demonstrating scheme affordability within the Leeds Public Transport Investment Programme through the development of the revised Leeds Public Transport Investment Programme funding strategy and prioritisation paper.
- 4.74 The value for money assessment reflects a benefit cost ratio of 1.74:1, judging the scheme as medium value for money when judged against the Department for Transport's criteria. The steps taken to develop the economic case have been adequately detailed, with a reasonable level of confidence provided to support the forecast demand and benefit assumptions.

Recommendations

- 4.75 That the Combined Authority approves that:
- (i) The Leeds Public Transport Investment Programme Temple Green Park & Ride Extension project proceeds through outline business case (decision point 3) and work commences on full business case (decision point 4).
 - (ii) An indicative approval to the Combined Authority's contribution of £6.954 million (which will be funded through the Leeds Public Transport Investment Programme) is given, with full approval to spend being granted once the scheme has progressed through the assurance process to full business case plus finalised costs (decision point 5). The total project value is £7.386 million.
 - (iii) Development costs of £841,000 are approved in order to progress the scheme to full business case plus finalised costs (decision point 5), with a further £1.42 million approved to fund land purchase costs expended at risk by Leeds City Council, taking total approval to £2.261 million.
 - (iv) The Combined Authority enters into a variation of the existing Funding Agreement with Leeds City Council for Leeds Public Transport Investment Programme schemes, for expenditure of up to £2.261million from the Leeds Public Transport Investment Programme fund.

- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report including at decision points 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

Project Title	Castleford Growth Corridor
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

- 4.76 This scheme will be funded from the West Yorkshire plus Transport Fund. This is a £1 billion fund, covering West Yorkshire and York. The objectives of the West Yorkshire plus Transport Fund are to enable key employment and housing development areas and will help to create about 20,000 new jobs over the next 10 years. These strategic transport projects will be delivered to facilitate the growth priorities identified in the Leeds City Region Economic plan.
- 4.77 The Castleford Growth Corridor area extends from the town centre along the banks of the River Aire to the Fryston village in the east, and contains extensive areas of vacant industrial and brownfield land, as well as being bisected by the railway line.
- 4.78 This scheme will deliver highway improvements along the corridor including carriageway widening at Aire Street to provide an additional west bound lane, improvements to the Lock Lane and Savile Road roundabouts, signal-controlled junction improvement, and improved crossing facilities for pedestrians.
- 4.79 There will also be provision of a new cycle way and footpaths to provide a continuous route for pedestrians and cyclists along the full length of the corridor, as well as public realm improvements on Savile Road, by opening up views and public access to the River Aire - an opportunity presented due to the land acquisition required for the footway/cycleway improvements.
- 4.80 The area has been designated as a Housing Zone by the government. This scheme will facilitate delivery of 934 homes by reducing transport constraints. It is also anticipated to improve journey time reliability for all modes by reducing journey times on specified routes, improve connectivity to / from the growth corridor area, and encourage active mode travel through enhanced cycling and walking provision.

- 4.81 The scheme supports the priority area 4 Infrastructure for Growth of the Leeds City Region Strategic Economic Plan.
- 4.82 The scheme has come forward at outline business case with a total scheme cost forecast of £7.079 million, with the Combined Authority to contribute £6.858 million from the West Yorkshire plus Transport Fund (WY+TF).

Outputs, benefits and inclusive growth implications

- 4.83 The scheme outputs and benefits are:
- To facilitate the delivery of 934 new homes in Castleford by 2031, by reducing transport constraints to development.
 - To improve journey time reliability for all modes by reducing journey times on specified routes by 5% by 2025 through reducing transport constraints.
 - To improve connectivity to, from, and within the Castleford Growth Corridor area, promoting access to inclusive growth for all and access to green infrastructure.
 - Enhance provision for active modes by providing 2,911m of new and enhanced cycleway/footpath and 6 pedestrian crossing facilities, by opening year.
 - To improve road safety by reducing the number of accidents by 10% by 2025.
 - To improve the urban environment by providing 1,200 sqm of additional public open space.

Risks

- 4.84 The scheme risks are:
- Requirement to acquire land from unknown/unwilling owners, or at an unrealistic asking price, leading to the requirement for land to be acquired via compulsory purchase orders, resulting in potential overspend costs and delays to the programme. To be mitigated by early engagement and the prioritisation of construction of other scheme elements to remain within delivery timescales.
 - Scope and cost of utility service diversions not fully known at this stage, and could result in time delays and costs to programme. To be mitigated by including allowance in feasibility budget for surveys and ensuring adequately detailed costs at next stage.

Costs

- 4.85 The total forecast scheme cost at outline business case is £7.079 million.

- 4.86 The Combined Authority is to fund £6.858 million through the West Yorkshire plus Transport Fund, with a £221,000 contribution from Homes England.
- 4.87 At outline business case, the promoter seeks development cost approval of £1.639 million, of which £660,000 is to fund business case development costs to decision point 5 (full business case with finalised costs), and £979,000 to cover forecast land acquisition costs. This takes the total development cost approval to £1.839 million.
- 4.88 The Combined Authority to enter in to an addendum to the existing funding agreement with Wakefield council, for expenditure up to £1.839 million.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
3 (Outline business case)	Recommendation: Investment Committee Decision: Combined Authority	10/10/2019
4 (Full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	30/09/2020
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	31/03/2021

Other Key Timescales

- The forecast construction commence date is April 2021.
- The forecast construction completion date is March 2022.

Assurance Tolerances

Assurance tolerances
That the total scheme costs remain within 10% of costs set out in this report. That delivery timescales remain within 6 months of that set out in this report.

Project responsibilities

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

Appraisal summary

- 4.89 The strategic drivers for investment through the transport fund are well presented, with the planned highway improvements and active mode provision supporting the West Yorkshire transport strategies and policies, as well as the Leeds City Region Strategic Economic Plan. The business case also demonstrates support to local initiatives in Castleford, such as the Housing Zone and regeneration of the town centre through public realm provision, enhancing the urban environment.
- 4.90 The scheme cost forecast has been suitably detailed through the financial case, whilst appraisal of the management case demonstrates scheme deliverability, with appropriate governance to facilitate business case development and scheme implementation in place. Land purchase does however pose a risk to scheme costs (as subject to agreed sale price) and the delivery programme (risk of compulsory purchase order route), with the promoter indicating mitigation measures are in place.
- 4.91 The value for money assessment at outline business case reflects a benefit cost ratio of 2.3:1, placing the scheme in the high value for money category when judged against the Department for Transport's value for money criteria. The economic case has been adequately developed to support the value for money position, with some areas of refinement to be worked up by the promoter as part of full business case development.

Recommendations

- 4.92 That the Combined Authority approves that:
- (i) The Castleford Growth Corridor scheme proceeds through decision point 3 and work commences on activity 4 (FBC).
 - (ii) An indicative approval to the Combined Authority's contribution of £6.858 million to be funded from the West Yorkshire plus Transport Fund is given, with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (FBC with finalised costs). The total project value is £7.079 million.
 - (iii) Development costs of £1.639 million are approved in order to progress the scheme to decision point 5 (FBC with finalised costs), of which £660,000 is to fund the business case development costs, with £979,000 to fund forecast land acquisition costs. This takes the total approval to £1.839 million.
 - (iv) The Combined Authority enters into an addendum to the existing Funding Agreement with Wakefield Council for expenditure of up to £1.839 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 4 and 5 through a delegation to the Combined Authority's Managing

Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

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

Background

- 4.93 This scheme is funded through the Local Growth Fund. The purpose of this funding is to attract the next generation of jobs and deliver a step change to the growth of the Leeds City Region. The Growth Deal enables the delivery of the priorities set out in the Strategic Economic Plan (SEP) including the development of housing and commercial sites, expansion of a skilled workforce, support to growing businesses, promotion of resource efficiency and investment in integrated transport infrastructure (through the West Yorkshire plus Transport Fund)
- 4.94 Enterprise Zones form part of the Government’s wider Industrial Strategy, aimed at supporting businesses and enabling local economic growth by establishing themselves as a driving force of local economies, unlocking key development sites, consolidating infrastructure, attracting businesses and creating jobs.
- 4.95 The Leeds City Region Enterprise Zones have been established following a competitive application process to the Ministry of Housing, Communities and Local Government (MHCLG). The South Kirkby Enterprise Zone forms part of the Leeds City Region Enterprise Zone (EZ) Programme, which is a package of EZ’s to be delivered in two phases across 10 sites in West Yorkshire.
- 4.96 The programme will help to deliver additional employment across the Spatial Priority Areas of the SEP and will facilitate the ‘acceleration of development and delivery of high quality employment space in the advanced and innovative manufacturing and complimentary sectors’ in alignment with partner council’s Local Plans. The programme has the following target outputs and benefits:
- 230 hectares of new employment land
 - 750,000m² (8.073 million ft²) new employment floorspace

- 15,000 new jobs
 - Up to £5 billion additional Gross Value Added (GVA) by 2025
- 4.97 Once built out each Enterprise Zone will generate business rates income for the Leeds City Region Enterprise Partnership, which it can reinvest into the delivery of its strategic objectives. This income accrues until 2037 for the Phase 1 EZ (Leeds) and until 2042 for phase 2 sites (including South Kirkby). The Combined Authority is the accountable body for the EZ Programme.
- 4.98 The principal aim of the EZ Programme is to achieve accelerated delivery of employment sites and high quality employment floorspace, and where a private sector development partner is willing and able to take the scheme forward this should be maximised (subject to thorough legal and financial due diligence and progression through the Combined Authority's assurance process).
- 4.99 The South Kirkby EZ scheme involves a 2.64 hectare extension to the existing South Kirkby Business Park, located adjacent to the M1 and A1 in Wakefield, to develop four new industrial/warehouse units providing up to 6,085 m² (65,500ft²) of employment floorspace. Once developed the scheme has the potential to generate 115 new jobs and over £7 million GVA to the local economy per annum.
- 4.100 The site is owned by a private sector developer (the scheme promoter) who is seeking to bring forward the development. A market viability assessment demonstrates high levels of demand from potential occupiers and end users for the completed units, however the cost of developing the proposed units exceeds the market value of these units when they are completed.
- 4.101 On this basis of this assessment the developer is unable to secure 100% of scheme funding from wholly commercial sources (i.e. debt funding) and there is a viability gap. The developer is therefore seeking to bridge this gap with funding from the Combined Authority.
- 4.102 At its meeting on 26 March 2019 the LEP Board endorsed a set of principles concerning the provision of public sector funding to private sector scheme promoters to bring forward schemes in the EZ Programme. These are summarised below:
- Whilst the overall aim is to ensure that the EZs will be developed, this will be done on the basis that the approach maximises value for money and benefits realised, identifying the minimum funding needed to take the proposition forward.
 - Schemes will be funded on a loans first principle. Where a scheme can support a loan then this would be the primary route for funding. Some projects may warrant a blend of both grant and loan intervention.
 - The nature of market failure and independent cost and viability assessments, including a red book valuation, will determine whether a

project should be able to proceed on the basis of a loan. If grant is required then the assessment will inform the maximum of grant that could be awarded.

- A thorough due diligence process will be undertaken in the assessment of grant requests, including but not limited to: evaluation of delivery options; financial due diligence and Know Your Customer checks; evidence of compliance with State Aid rules and other statutory approvals; evidence of a tendering exercise having been undertaken.
- All grant funding agreements will be subject to an overage clause that will trigger repayment depending on the returns/values generated. Adequate security arrangements to protect the LEP's investment will be put in place.
- All interventions would be required to consider how best they can commit to the inclusive growth conditions applicable to other LEP grants.
- Grant payments to be made against evidenced defrayed expenditure

4.103 These principles will be applied to the appraisal of this scheme and the Combined Authority's funding. The Combined Authority has introduced a comprehensive due diligence process which requires private sector scheme promoters to implement a transparent 'open book' accounting approach to ensure value for money is achieved. Information to support this scheme has been provided which is considered to be commercially sensitive. As a result this information is provided in exempt **Appendix 3**.

Outputs, benefits and inclusive growth implications

4.104 The forecast outputs, benefits and inclusive growth implications of the scheme are:

- 2.64 hectares of new employment land
- 6,085 m² (65,500ft²) of industrial/warehousing units.
- 115 net new jobs
- £7 million additional GVA per annum

4.105 The scheme promoter will be required to make Inclusive Growth commitments as part of any subsequent funding agreement (i.e. employee skills plans, green travel plans, use of local suppliers etc.). Additionally the scheme will ensure sustainable economic growth through making more efficient use of employment land and managing traffic access into the site.

Risks

4.106 The key risks to the delivery of the scheme and associated mitigating measures are:

- Higher construction costs due to unexpected ground conditions/services diversions etc – the scheme promoter will undertake intrusive site investigations and will retain liability for all cost overruns
- Electricity supply insufficient to secure occupiers with high energy demands (i.e. manufacturing) – the scheme includes the delivery of a new electricity substation and ongoing dialogue it taking place with Northern Powergrid to assess options to increase capacity on the site
- Sales/lettings targets are not achieved (market risk) – the scheme promoter has undertaken market assessments and identified potential occupiers and this will underpin the proposed marketing strategy. This will be supported by the work of Combined Authority’s Trade & Investment team to identify and target potential occupiers seeking to expand their operations in to the City Region.

Costs

4.107 The scheme promoter has secured the majority of funding for the scheme from the private sector and Combined Authority is being asked to provide funding of up to £2.826 million address the viability gap. This is provisionally allocated to the costs of site infrastructure works including internal site roads, drainage and new electricity substation.

4.108 The EZ Programme secured indicative approval from the Combined Authority in June 2018 of £45.044 million from the Local Growth Fund and grants from MHCLG. There is sufficient remaining budget within the programme to support this scheme. Additionally, the Combined Authority will benefit from the retention of business rates for the new units when they are occupied.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
3 (Outline business case)	Recommendation: Investment Committee Decision: Combined Authority	01/10/2019
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	20/12/2019

Other Key Timescales

- Planning consent secured – November 2019
- Site infrastructure works completed – March 2020
- Units completed – September 2020
- Scheme completion (all units let/sold) – September 2021

Assurance Tolerances

Assurance tolerances
Any increase in the Combined Authority costs will require further approval from the Investment Committee
Timescales for scheme completion remain within 3 months of the timescales set out in this report
Measureable outputs and benefits remain within 20% of the forecast set out in this report

Project responsibilities

Senior Responsible Officer	Kate Thompson, Combined Authority
Project Manager	Jacque Boulton, Combined Authority
Combined Authority case officer	Ian McNichol

Appraisal summary

- 4.109 The scheme has a strong strategic case as part of the LCR EZ Programme and demonstrates a clear rationale for public sector funding to address unmet demand and stimulate the take-up of new high quality employment floorspace in the area. The scheme promoter is an experienced developer with a track record of delivering similar schemes in the City Region.
- 4.110 The economic case for the scheme is based on the potential to generate direct outputs (serviced employment land and new employment floorspace) and indirect benefits (jobs and GVA) with the latter subject to the take-up of floorspace by occupiers/end users. At the next stage of the assurance pathway the scheme promoter will need to consider the impact on land values to establish an initial scheme benefit cost ratio with the indirect jobs and GVA to supplement this figure and demonstrate value for money (VfM)
- 4.111 The financial and management cases will require further refinement at the next stage of the assurance pathway, confirming the contract structure and tendered costs and providing a detailed risk register and programme plan, together with the associated due diligence requirements set out previously, including provisions for overage any charge the Combined Authority may wish to take over the assets developed with public sector funding.

Recommendations

- 4.112 That the Combined Authority approves that:
- (i) The South Kirkby Enterprise Zone scheme proceeds through decision point 3 and work commences on activity 5 (FBC with finalised costs).
 - (ii) An indicative approval to the Combined Authority's contribution of up to a maximum of £2.826 million which will be funded through the Local Growth Fund is given with full approval to spend being granted once the

scheme has progressed through the assurance process to decision point 5 (FBC 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	Steeton and Silsden Rail Car Park
Stage	2 (Development)
Decision Point	5 (Full business case with finalised costs)

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

- 4.113 This scheme will be funded from the West Yorkshire plus Transport Fund. This is a £1 billion fund, covering West Yorkshire and York. The objectives of the West Yorkshire plus Transport Fund are to enable key employment and housing development areas and will help to create about 20,000 new jobs over the next 10 years. These strategic transport projects will be delivered to facilitate the growth priorities identified in the Leeds City Region Economic plan.
- 4.114 A strategic package of car park extensions at West Yorkshire rail stations has been identified to increase capacity and enhance rail connectivity to, from and within West Yorkshire, supporting sustainable travel and employment growth in main urban centres.
- 4.115 Situated north east of Bradford, the Steeton & Silsden rail station provides services to the employment and retail centres of Leeds, Bradford, Keighley, Halifax and Skipton. With journeys times only 30 minutes to Leeds and Bradford the station is very popular with commuters.
- 4.116 Capacity audits which have been undertaken record a 98% occupancy of the car park by 9 am most term time weekdays, with an element of latent demand witnessed too (station users parking on the access road and in the village of Steeton). The scheme will deliver installation of 2 decks to give 3 levels (ground level 1, level 2), increasing parking capacity by 104 spaces, taking the total parking offer at the station to 247.
- 4.117 A lift, increased blue badge bay provision, CCTV provision, LED lighting, enhanced draining infrastructure, and electrical ducting to future proof 2 electric vehicle charging bays will also be delivered.
- 4.118 Scheme delivery will encourage existing and new users to choose the train as a sustainable mode of transport for onward journeys, with the increase in

parking offer improving the access and connectivity to employment and communities, supporting the reduction in congestion levels and improving air quality.

- 4.119 The scheme supports priority area 4 'Infrastructure for Growth' of the Leeds City Region Strategic Economic Plan and is supported by the City of Bradford Metropolitan and District Council and the local ward members.
- 4.120 The scheme has come forward at full business with finalised costs (decision point 5) seeking approval of total scheme costs of £3.879 million from the West Yorkshire plus Transport Fund, of which £110,000 has already been secured and expended to support business case development. The promoter has provided clarification the scheme is affordable within the rail car park programme.
- 4.121 Regarding scheme implementation, the promoter also seeks approval for the Combined Authority to enter in to Section 56 agreement with Arriva Rail North to deliver the scheme and a lease for them to use part of the adjacent car park owned by the Combined Authority as a temporary compound, given there are no suitable alternatives.

Outputs, benefits and inclusive growth implications

4.122 Scheme outputs and benefits are:

- Provision of 104 additional free car parking spaces, taking the total parking offer to 247 spaces.
- Removal of up to 104 cars off the roads for part of the commute, reducing congestion and supporting air quality.
- The increased provision of blue badge bays to 9 bays.
- Reduction in overall journey times through better access to the rail network as a result of more secure parking.
- Increased new rail user patronage at Steeton and Silsden Rail Station by September 2021.
- Increased employment accessibility.
- The scheme will support inclusive growth by improving the access and connectivity to employment and communities via public transport, as well support better air quality with commuters choosing the train for onward journeys rather than car.
- The value for money assessment reflects a benefit cost ratio of 1.8:1, judging the scheme as medium value for money as per the Department for Transport's criteria.

Risks

4.123 Scheme risks are:

- **Piled Foundations:** The final detailed design for the piled foundations relies on the results of final ground investigations and could exceed estimated costs. The contractor has employed specialists in piling, sheet piling and ground drilling, and in addition, the contract between Arriva Rail North and the contractor is a fixed price contract, thereby the risk has been passed onto and accepted by the contractor.
- **Change in Franchise:** Arriva Rail North is part of the Arriva group which has been put up for sale by the owner, Deutsche Bahn. Whilst this creates uncertainty and a level of risk, historically, changes in rail franchise have been accompanied with an automatic novation of all contracts via the Section 56 Agreement which is the contract between Arriva Rail North and the Combined Authority.
- **Contractor Insolvency:** The contractor has been assessed by Northern as part of their appointment to the Arriva Rail North framework. The process includes financial checks. The contract offer also includes a bond, covering 10% of the contract value in favour of Arriva Rail North should the contractor default.

Costs

- 4.124 The total scheme cost based on tendered costs at full business case with finalised costs (decision point 5) is £3.879 million.
- 4.125 The Combined Authority is to fund £3.879 million through the West Yorkshire plus Transport Fund (WY+TF). The scheme is affordable within the £30.5 million WY+TF secured by the rail car park programme.
- 4.126 The Combined Authority to enter in to a Section 56 rail grant with Arriva Rail North for £3.759 million.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
5 (Full business case with finalised costs)	Recommendation: Investment Committee Decision: Combined Authority	10/10/2019

Other Key Timescales

- The forecast construction commence date is November 2019.
- The forecast construction completion date is October 2020.

Assurance Tolerances

Assurance tolerances
That any cost increase remains within 10% of those set out in this report. That programme timescales remain within 6 months of those set out in this report

Project responsibilities

Senior Responsible Officer	Melanie Corcoran, West Yorkshire Combined Authority
Project Manager	Sara Brook, West Yorkshire Combined Authority
Combined Authority case officer	Asif Abed

Appraisal summary

- 4.127 The promoter at full business case with finalised costs (decision point 5) has established the strategic drivers for investment, the contractor procurement tender process and tendered costs, and confirms scheme implementation will be managed through the existing rail car park programme governance and project delivery mechanisms.
- 4.128 Given the scheme is to be delivered as part of the rail car park programme funded by the West Yorkshire plus Transport Fund, narrative has been adequately provided to demonstrate scheme affordability.
- 4.129 The value for money assessment reflects a benefit cost ratio of 1.8:1, judging the scheme as medium value for money. The methodology to forecasting demand and the calculation of scheme benefits and costs has been appropriately developed.

Recommendations

- 4.130 That the Combined Authority approves that:
- (i) The Steeton & Silsden Rail Car Park project proceeds through full business case with finalised costs (decision point 5) and work commences on activity 6 (Delivery).
 - (ii) Approval to the total project value of £3.879 million is given from the West Yorkshire plus Transport Fund.
 - (iii) The Combined Authority enters into a Section 56 Rail Funding Agreement with Arriva Rail North for expenditure of up to £3.759 million from the West Yorkshire plus Transport Fund.
 - (iv) The Combined Authority enters in to a lease for Northern to use part of the Combined Authority owned car park as a temporary compound.
 - (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.

Project Title	A61 (South) Corridor
Stage	2 (Development)
Decision Point	4 (Full 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

- 4.131 The A61 (South) Corridor scheme forms part of the Leeds Public Transport Improvement Programme (LPTIP), a £173.5 million programme using devolved Department for Transport (DfT) funding supplemented by contributions from Leeds City Council and the Combined Authority. The LPTIP programme aims to support economic growth by unlocking transport constraints, improve public transport journey times and usage and reduce overall transport emissions.
- 4.132 The A61 (South) Corridor scheme forms one of five prioritised 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 and Meadow Lane. It includes the provision of new bus lanes along the corridor (in both directions), bus priority measures at signals, improvements to the Thwaite Gate junction, dedicated walking and cycling facilities together with improvements to urban realm and green infrastructure.
- 4.133 The scheme will deliver benefits to bus users and those walking and cycling in the corridor, significantly improving bus journey times and reliability (especially in the peak hours) and encouraging modal shift. The scheme will also help to improve air quality and health outcomes in the surrounding areas, supported by the further adoption of low emission buses (EURO V1 standard or better) ultra-low emission (electric) buses operating from the Stourton Park & Ride site.
- 4.134 The scheme supports the delivery of Priority 4 (Infrastructure for Growth) of the Strategic Economic Plan (SEP), increasing connectivity, improving access to jobs and services, reducing carbon emissions and supporting further economic growth in the Aire Valley and Southbank areas of Leeds.
- 4.135 The scheme received outline business case (decision point 3) approval from the Combined Authority on 20 December 2018 with an indicative approval to a

total project value of £14.5 million with full approval being granted at full business case with finalised costs (decision point 5) through a delegation to the Combined Authority's Managing Director subject to approved scheme cost and programme tolerances. The total value of the scheme has increased to £18.247 million which exceeds the 10% tolerance set at decision point 3 and therefore requires further approval from the Combined Authority's Investment Committee.

Outputs, benefits and inclusive growth implications

4.136 The forecast outputs, benefits and inclusive growth implications of the scheme are:

- A 25% increase in bus patronage along the A61 (South) corridor within 3 years of opening
- A 15% reduction in journey times for limited stop services along the corridor within 3 years of opening
- A 70% increase in the % share of non-car modes (public transport, cycling and walking) within 3 years of opening, taking up to 263,000 car kilometres of the network into Leeds City Centre each year.
- Within 3 years of opening all the bus services operating on this route will use low (EUROV1) or ultra-low (electric) emission buses, leading to further potential improvements in air quality and health outcomes along the corridor.
- Improvements in bus journey reliability and the quality of the bus passenger experience, together with improved access to jobs, training and services in the corridor catchment area
- A reduction in the number and severity of accidents along the corridor as a result of changes to the highways layout and prioritisation measures, including additional space for cycling and walking

4.137 The forecast benefit cost ratio (BCR) for the scheme is 2.1:1 which represents 'high' value for money.

Risks

4.138 The key risks to the delivery of the scheme and associated mitigation measures are:

- Unforeseen services discovered during construction lead to an increase in scheme costs and programme delay – mitigated by further detailed surveys and regular liaison with statutory services undertakers
- Potential objections from stakeholders and local interest groups with concerns over environmental or habitat impacts – mitigated by early engagement with local stakeholders and further refinements to scheme design to reduce land take and limit the impact on exists trees and habitats

- Third party land requirements lead to an increase in scheme costs and programme delay – mitigated by refinements to scheme design to limit land take and positive engagement with affected landowners (Canal & River Trust and Low Road Primary school)

4.139 The total cost of the scheme is £18.247 million. The Combined Authority will fund £18.037 million from the devolved DfT Leeds Public Transport Investment Programme. The remaining costs (£210,000) will be funded by Leeds City Council.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
4 (Full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Investment Committee	01/10/2019
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	13/02/2020

Other Key Timescales

- Scheme construction begins (at risk prior to Combined Authority funding approval) – September 2019
- Construction complete – February 2021

Assurance Tolerances

Assurance tolerances
Any increase to Combined Authority costs will require further approval from the Investment Committee Timescale for scheme completion to 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 Kharia, Leeds City Council
Combined Authority case officer	Ian McNichol

Appraisal summary

- 4.140 The scheme has a strong strategic case. It is a priority scheme in the Leeds Public Transport Investment Programme Bus Infrastructure Package and its objective are well aligned with SEP Priority 4 (Infrastructure for Growth and other key local transport and economic growth strategies. Similarly, the case for change is strong based on evidence of the performance of other similar schemes including the A65 Quality Bus Corridor (QBC) in Leeds and the potential to enhance the benefits of the proposed Stourton Park & Ride facility which will operate along the A61 (South) corridor into Leeds City Centre
- 4.141 The scheme has the potential to generate a BCR of 2.1:1 which demonstrates high VfM when assessed against the DfT's criteria The BCR has increased from 1.5:1 at outline business case (decision point 3) following further refinements to scheme design, including additional cycling and walking provisions as well as reduced land take to limit the impact on existing trees.
- 4.142 The total cost of the scheme has risen by circa 30% since outline business case decision (point 3) as a result of:
- An increase in the costs for general plant and traffic management linked to an increase in the construction programme and a more detailed traffic management plan
 - An increase in the estimated cost of earthworks due to changes in scheme scope to reduce/mitigate land take
 - The addition of cycle 'hubs' and more comprehensive bus shelter renewal
 - The additional costs of the contractor insolvency bond
 - An increase in the risk contingency to account for residual unknown statutory services costs
- 4.143 Any further increase in Combined Authority costs for the scheme will require further approval from the Investment Committee

The scheme is part of the established governance, programme and project management arrangements for the LPTIP programme. Contractors have been appointed and there is a clearly defined delivery plan in place. The approach to risk and mitigation is appropriate to the scale and complexity of the scheme and the overall delivery programme appears reasonable. Recommendations

Recommendations

- 4.144 That the Combined Authority approves that:
- (i) The A61 (South) Corridor scheme proceeds through decision point 4 (Full business case) and work commences on full business case with finalised costs (decision point 5).
 - (ii) An indicative approval to the Combined Authority's contribution of £18.037 million, funded through Leeds Public Transport Investment

Programme is given with full approval to spend being granted once the scheme has progressed through the assurance process to full business case with finalised costs (decision point 5). The total scheme cost is £18.247 million.

- (iii) Future approvals are made in accordance with the assurance pathway and approval route in this report including at full business case with finalised costs (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 assurance tolerances outlined in this report.

Project Title	East Leeds Orbital Route
Stage	2 (Development)
Decision Point	5 (Full business case with finalised costs)

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

- 4.145 This scheme will be funded from the West Yorkshire plus Transport Fund. This is a £1 billion fund, covering West Yorkshire and York. The objectives of the West Yorkshire plus Transport Fund are to enable key employment and housing development areas and will help to create about 20,000 new jobs over the next 10 years. These strategic transport projects will be delivered to facilitate the growth priorities identified in the Leeds City Region Economic plan.
- 4.146 The East Leeds Orbital Route (ELOR) scheme is a significant project that has been developed as a series of transport improvements across four packages:
- Phase 1: Outer Ring Road (ORR) Junction Improvements - operational improvements to existing junctions on the ORR, running along the A6120/A61, to contribute to improving the overall management of strategic traffic. This phase is already under construction and practical completion is expected for November 2019.
 - Phase 2: East Leeds Orbital Road - a new 7km dual carriageway that will stretch from the ORR at Red Hall round the east side of Leeds to Thorpe Park, joining up with the Manston Lane Link Road. This will be a 50mph route complete with enhanced landscaping together with pedestrian and cycle infrastructure. Construction is to commence December 2019.
 - Phase 3: A6120 Enhancements - the forecast reduction in traffic levels through delivery of phases 1 and 2 will provide opportunity to enhance public realm and improve the cycling and walking environment along the A6120 between Red Hall and the M1. This phase is forecast to commence in July 2021.
 - Phase 4: Manston Lane Link Road - the initial build out of the link road completed in May 2019, this was delivered by the Thorpe Park developer

independently. Phase 4 will involve connecting the Manston Lane Link Road to the ELOR scheme.

- 4.147 The series of transport improvement measures across the four packages that make up the ELOR scheme have been developed to address several drivers for change such as forecast population growth, deprivation and East Leeds regeneration, poor public realm, and the existing transport issues of congestion and limited active travel provision.
- 4.148 A key outcome of the scheme will be bringing forward the major East Leeds Extension housing development, unlocking delivery of up to 5000 new homes, and providing connectivity to employment opportunities to the Thorpe Park business park.
- 4.149 The scheme principally supports delivery of priority area 4 'infrastructure for growth' of the Leeds City Region Strategic Economic Plan (SEP) but will also contribute to the delivery of the other SEP headline indicators of growing business, skilled people / better jobs, and clean energy and environmental resilience.
- 4.150 The overarching scheme will expand the transport network in East Leeds giving easier access to housing developments and supporting employment growth. The ELOR package has been designed to minimise environmental impact. It will deliver several environmental benefits to support environmental resilience and accounting for the recently declared climate emergency in Leeds. The scheme design will enhance the general environment for non-motorised users, reducing impact of the scheme. This will be achieved through high quality landscaping, planting, the provision of sustainable drainage systems, significant non-motorised user provision, as well as low energy lighting and low maintenance infrastructure.
- 4.151 The scheme has now come forward at full business case with finalised costs (decision point 5) with a total forecast scheme cost of £147.49 million, which reflects a £20.87 million increase to outline business case estimates. The promoter details the original scheme costs were generated in 2015 and updated in 2017 prior to the planning application submission, and in the very early stages of the land acquisition process. Since 2017, substantial effort has been put in to successfully achieve planning approval, progress through the Compulsory Purchase Order, and develop the main scheme design whilst satisfying stakeholder requirements.
- 4.152 A net result of the total scheme cost increase is the additional £7.35 million now sought from the Combined Authority through West Yorkshire plus Transport Fund, increasing the WY+TF ask to £90.33 million which is affordable within the programme.

Outputs, benefits and inclusive growth implications

- 4.153 The scheme outputs and benefits are:

- Delivery of highway infrastructure to release development land for the build out of the East Leeds Extension housing development, which has ambition to deliver up to 5000 new homes.
- To improve the connectivity of East Leeds and provide access to the key East Leeds employment areas through additional highway capacity and active travel (non-motorised) infrastructure, enabling improved journey times and a reduction in traffic flow.
- Contribute to the overall management of traffic in order to reduce congestion on the A6120.
- The scheme supports inclusive growth of a better quality of life for East Leeds residents and visitors through improvements to traffic flow which leads to better air quality and other environmental parameters along existing transport corridors, as well as better connectivity to employment, housing and communities.
- The value for money assessment reflects an initial benefit cost ratio (BCR) of 1.9:1, judging the scheme as medium value for money. It is established the adjusted BCR improves to 5:1 (very high value for money) when accounting for wider scheme benefits and monetised impacts.

Risks

4.154 The scheme risks across the four phases of the ELOR scheme are:

- Scope change following political or public involvement, or during construction to accommodate public or business interests, risking delay to the programme and increase to scheme costs. To be mitigated through early and continuous engagement with businesses and residents in the design and development of areas of key interest or sensitivity.
- Unforeseen archaeological finds impacting scheme design and implementation. To be mitigated through baseline surveys and relevant assessments, and consultation with Historic England and West Yorkshire Archaeology Service during prelim data collection stage.

Costs

4.155 The scheme has come forward at full business case with finalised costs (decision point 5) with a total forecast scheme cost of £147.49 million.

4.156 The Combined Authority through the West Yorkshire plus Transport Fund is to contribute £90.33 million, of which:

- £11.81 million approved by the Combined Authority up to Gateway 1 (decision point 2) in June 2015, to fund design and preparation costs for phase 1 (ORR), the outline business case costs for the ELOR project, plus land acquisition costs.
- An additional £14.047 million approved by members at the Combined Authority Board of December 2017, to fund delivery of phase 1 (ORR) –

Junction Improvements, expected to complete in November 2019 within the tendered cost budget.

- Taking the total approval to date to £25.857 million.

4.157 The promoter is to contribute £57.16 million through prudential borrowing, with this financial contribution to be recovered over time from third party house builders in the East Leeds Extension land via planning obligations, to be included in S106 developer agreements related to planning approvals that will come forward for the residential development that ELOR will unlock.

4.158 The Combined Authority to enter in to an addendum to the existing funding agreement with Leeds city council, for additional expenditure of £64.473 million from the West Yorkshire plus Transport Fund, taking the total approval to £90.33 million.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
5 (Full business case with finalised costs)	Recommendation: Investment Committee Decision: Combined Authority	10/10/2019
6 (Delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	31/05/2022

Other Key Timescales

- Phase 1 construction to complete in November 2019.
- Phase 2 construction to commence in December 2019.
- Phase 2 construction forecast to complete September 2021.
- Phase 3 construction to commence July 2021.
- Phase 3 construction to complete May 2022.

Assurance Tolerances

Assurance tolerances
That any scheme cost increase remains within 10% of costs set out in this report. That the delivery phase remains within 6 months of timescales set out.

Project responsibilities

Senior Responsible Officer	Gary Bartlett, Leeds City Council
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Project Manager	Rob O'Brien, Leeds City Council
Combined Authority case officer	Asif Abed

Appraisal summary

- 4.159 The strategic drivers for the overarching ELOR scheme are well established, with the proposed series of improvements in East Leeds demonstrating support to the delivery of local and regional transport fund strategies and policies, as well as the socio-economic factors to support the City Region Strategic Economic Plan, including facilitating housing and employment growth.
- 4.160 The commercial case suitably details the procurement for delivery of phase 1 and the development (detailed design) of phases 2 and 3, with the management case demonstrating deliverability of the programme, detailing the governance and project delivery partners in place.
- 4.161 The scheme cost has increased from initial estimates, with adequate rationale provided to justify the increase. It has been noted that detailed design and development of target costs for phase 2 is nearing completion whilst for phase 3 and 4, they will be concluded as part of scheme implementation, therefore the risk of costs exceeding estimates will remain until all phases have an agreed target cost developed. The risk of increase in costs to the Combined Authority is minimal however, given any increase is to be under-written by the promoter.
- 4.162 The value for money assessment reflects a medium value for money scheme as part of the Department for Transport's assessment, and judged as a very high value for money when accounting for wider monetised impacts and benefits. The economic case has been suitably developed with modelling and appraisal reflecting reasonable calculation of scheme benefits and assumptions.

Recommendations

- 4.163 The Investment Committee recommends to the Combined Authority that:
- (i) The East Leeds Orbital Route project proceeds through decision point 5 and work commences on activity 6 (delivery)
 - (ii) Approval to the Combined Authority's contribution of £90.33 million to be funded through the West Yorkshire plus Transport Fund, is given. The total project value is £147.49 million.
 - (iii) The Combined Authority enters into an addendum to the existing funding agreement with Leeds City Council for additional expenditure of £64.473 million, taking the total approval to £90.33 million.
 - (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report including at decision point 6

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



4.164 There are no schemes requiring consideration at this assurance stage.

Decisions made by the Investment Committee

4.165 The Investment Committee is authorised to progress a scheme under the Assurance Framework in accordance with any bespoke approval pathway and approval route, subject to an exception relating to exceeding the cumulative total of the financial approval and tolerance levels agreed by the Combined Authority by more than 25%. Decisions regarding the following schemes have been made by Investment Committee on the 3 September 2019 and 1 October 2019. The decisions were made by the Investment Committee following a recommendation from Combined Authority Programme Appraisal Team. All the schemes outlined below have remained within the financial approvals and tolerance levels agreed by the Combined Authority unless stated otherwise below.

Bradford City Centre Heritage Properties (Conditioning House)

4.166 The refurbishment of Conditioning House, a Grade II Listed Victorian warehouse building, will deliver new homes and commercial floorspace in a key location in Bradford city centre. It will be funded through the Local Growth Fund and is the first property to come forward through the wider Bradford City Centre Heritage Properties scheme.

The Investment committee gave approval to proceed through decision point 3 (outline business case) and work commences on activity 5 (full business case with finalised costs)

Total value - £13.847 million

Leeds Flood Alleviation Scheme 2

4.167 This scheme will reduce flood risk to residential, commercial property and infrastructure assets along the River Aire in Leeds enabling the river to become an asset rather than a threat for business and communities. Through a series of linear defences it will provide protection against a 1 in 100 year flood event for the upstream section of the river between Leeds Railway Station and Newlay beyond Kirkstall corridor to the west of the city.

The Investment Committee agreed approval to proceed through decision point 5 and work commence on activity 6 (delivery).

Total value - £76.390 million

Gain Lane Enterprise Zone

- 4.168 The Gain Lane Enterprise Zone (EZ) is one of a package of sites that make up the Leeds City Region Enterprise Zone (EZ) Programme. The aim of this programme is to accelerate the delivery of high quality employment sites and floorspace and supports Priority Area 4 (Infrastructure for Growth) of the Strategic Economic Plan.
- 4.169 Gain Lane, Bradford is a vacant site located 3.5 miles south east of Bradford city centre. The Gain Lane scheme seeks Local Growth funding to be approved to fill a gap in the business case development appraisal, specifically to support site access and infrastructure works including earthworks, site drainage works and connections to existing, landscaping and new access road to unlock the site.

The Investment Committee gave approval to proceed through decision point 5 and work commences on activity 6 (delivery).

Total value – Combined Authority funding plus substantial private sector investment

A62 / A644 (Wakefield Road) Link Road

- 4.170 Cooper Bridge is one of the most important Gateways into Huddersfield. The A62 is one of the main transport routes into and out of Huddersfield and provides key access to the M62 corridor. The existing A62 / A644 Cooper Bridge junction is a signalised three-armed roundabout. The roundabout and the surrounding road network are known to be severely congested in both the AM and PM traffic peaks.
- 4.171 The Investment Committee approved the change request for Activity 3 for additional funding to support project development costs towards developing the outline business case and for an extension on time from November 2018 to October 2020 for outline business case submission. The Investment Committee also agreed to increase total approved Combined Authority funding to £965,000 for development costs from £750,000 (an increase of £215,000)

A629 Phase 2

- 4.172 This scheme is phase 2 of a wider series of interventions along the A629 Halifax - Huddersfield corridor. The scheme is to be funded from the £120.6 million West Yorkshire plus Transport Fund allocation to the A629 corridor programme.
- 4.173 The Investment Committee agreed the change request at Activity 4 for additional funding to support project development costs towards a detailed re-design of the Piece Gardens on the Eastern Corridor to include the recently Grade II listed Hughes Corporation Building. Investment Committee also agreed increase total approved Combined Authority funding to £3.613 million from £2.981 million (an increase of £632,000).

Corridor Improvement Programme - A58/A672

- 4.174 This scheme seeks to deliver a package of small-scale transport interventions on the A58/A672 corridor focused on highway improvements, along with improving facilities for active modes.
- 4.175 The investment committee approved the change request at activity 4 to the revised delivery timescales - completion (decision point 6) is now forecast for May 2022 from March 2021, reflecting a 14 month delay due to limited resources and unexpected highways works.

Corridor Improvement Programme - A646/A6033

- 4.176 This scheme seeks to deliver a package of highway improvements to address identified pinch-points on the A646/A6033 corridor.
- 4.177 The investment Committee approved the activity 4 change request to the revised delivery timescales – completion (decision point 6) - which is now forecast for May 2022 from March 2021, reflecting a 14 month delay due to limited resources and unexpected highways works.

York Guildhall

- 4.178 This scheme will create high quality office space, with retained council use, meeting and events space and associated commercial development in an iconic historic complex on York riverside.
- 4.179 The Investment Committee agreed the change request to activity 6 to approving amendments to the project timeframe from December 2018 to March 2021.
- 4.180 Total value - £20.197 million

City Connect phase 3 - Cooper Bridge Links

- 4.181 The scheme will deliver a 6.5km cycle and walking route between the settlements of Bradley and Brighouse crossing the Kirklees and Calderdale border. The route will predominantly be delivered off the highway but provide strategic links to the highway network
- 4.182 The scheme gained approval to proceed through decision point 3 (outline business case) and to commence work on activity 4 (full business case). The total scheme cost is £2.328 million.

Headrow City Centre Gateway

- 4.183 The scheme will enhance a major gateway to Leeds city centre for bus users, pedestrians, and cycle users, through a series of bus infrastructure, public realm, pedestrian and cycling improvements.

- 4.184 The scheme gained approval to proceed through decision point 4 (full business case) and to commence work on activity 5 (full business case with finalised costs). The total scheme cost is £22.75 million.

Stourton P&R

- 4.185 The scheme will deliver a new park & ride site capable of accommodating up to 1200 vehicles. The site will be fully electric, with solar panel provision to operate the site and support charging to run the fully electric bus services to/from Leeds city centre.
- 4.186 The scheme gained approval to proceed through decision point 4 (full business case) and to commence work on activity 5 (full business case with finalised costs). The total scheme cost is £36.99 million.

Rail Park & Ride Programme - Mytholmroyd

- 4.187 The scheme forms part of the Rail Park and Ride Programme and will create a new car park consisting of 193 additional car parking spaces, 10 new blue badge spaces, cycle stands and future proofing for electric charging bays at Mytholmroyd Rail Station.
- 4.188 The Activity 6 change request to increase the total scheme cost from £3.64 million to £3.952 million and to extend the delivery timeframe from December 2019 to December 2020 was approved. The total scheme cost is 3.952 million.

5 Clean Growth Implications

- 5.1 Clean growth implications are outlined in each scheme, see above.

6 Inclusive growth implications

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

7 Financial implications

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

8 Legal implications

- 8.1 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.
- 8.2 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 appendix as exempt outweighs the public interest in disclosing the information as publication could prejudice current and future decision making.

9 Staffing implications

- 9.1 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.

10 External consultees

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

11 Recommendations

Halifax Bus Station

- 11.1 That the Combined Authority approves that:

- (i) Grant indicative approval to forecast scheme cost of £15.4 million, with delivery funding dependent on the TCF bid outcome.
- (ii) Grant approval of an additional £200,000 from the West Yorkshire plus Transport Fund, taking total approval to £566,415
- (iii) Approve the Combined Authority, in partnership with Calderdale Council, expenditure up to £566,415 on the scheme
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report including at decision point 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

Clifton Business Park Enterprise Zone

- 11.2 The Combined Authority approves that:

- (i) The Clifton Business Park (Enterprise Zone) scheme proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
- (ii) Development costs of £3.156 million are approved in order to assist in the progress the scheme 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.

A65 Signals

11.3 The Combined Authority approves that:

- (i) The A65 Signals scheme proceeds through decision point 3 (outline business case) and work commences on activity 4 (full business case).
- (ii) An indicative approval of £956,000 is given from the LPTIP 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 scheme cost is £1.209 million
- (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.

Temple Green Park & Ride

11.4 That the Combined Authority approves that:

- (i) The Leeds Public Transport Investment Programme Temple Green Park & Ride Extension project proceeds through outline business case (decision point 3) and work commences on full business case (decision point 4).
- (ii) An indicative approval to the Combined Authority's contribution of £6.954 million (which will be funded through the Leeds Public Transport Investment Programme) is given, with full approval to spend being granted once the scheme has progressed through the assurance process to full business case plus finalised costs (decision point 5). The total project value is £7.386 million.
- (iii) Development costs of £841,000 are approved in order to progress the scheme to full business case plus finalised costs (decision point 5), with a further £1.42 million approved to fund land purchase costs expended at risk by Leeds City Council, taking total approval to £2.261 million.
- (iv) The Combined Authority enters into a variation of the existing Funding Agreement with Leeds City Council for Leeds Public Transport Investment Programme schemes, for expenditure of up to £2.261million from the Leeds Public Transport Investment Programme fund.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report including at decision points 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's

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

Castleford Growth Corridor

11.5 That the Combined Authority approves that:

- (i) The Castleford Growth Corridor scheme proceeds through decision point 3 and work commences on activity 4 (FBC).
- (ii) An indicative approval to the Combined Authority's contribution of £6.858 million to be funded from the West Yorkshire plus Transport Fund is given, with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (FBC with finalised costs). The total project value is £7.079 million.
- (iii) Development costs of £1.639 million are approved in order to progress the scheme to decision point 5 (FBC with finalised costs), of which £660,000 is to fund the business case development costs, with £979,000 to fund forecast land acquisition costs. This takes the total approval to £1.839 million.
- (iv) The Combined Authority enters into an addendum to the existing Funding Agreement with Wakefield Council for expenditure of up to £1.839 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 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

South Kirkby Enterprise Zone

11.6 That the Combined Authority approves that:

- (i) The South Kirkby Enterprise Zone scheme proceeds through decision point 3 and work commences on activity 5 (FBC with finalised costs).
- (ii) An indicative approval to the Combined Authority's contribution of up to a maximum of £2.826 million which will be funded through the Local Growth Fund is given with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (FBC 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.

Steeton & Silsden Rail Car Park

11.7 That the Combined Authority approves that:

- (i) The Steeton & Silsden Rail Car Park project proceeds through full business case with finalised costs (decision point 5) and work commences on activity 6 (Delivery).
- (ii) Approval to the total project value of £3.879 million is given from the West Yorkshire plus Transport Fund.
- (iii) The Combined Authority enters into a Section 56 Rail Funding Agreement with Arriva Rail North for expenditure of up to £3.759 million from the West Yorkshire plus Transport Fund.
- (iv) The Combined Authority enters in to a lease for Northern to use part of the Combined Authority owned car park as a temporary compound.
- (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.

A61 (South) Corridor

11.8 That the Combined Authority approves that:

- (i) The A61 (South) Corridor scheme proceeds through decision point 4 (Full business case) and work commences on full business case with finalised costs (decision point 5).
- (ii) An indicative approval to the Combined Authority's contribution of £18.037 million, funded through Leeds Public Transport Investment Programme is given with full approval to spend being granted once the scheme has progressed through the assurance process to full business case with finalised costs (decision point 5). The total scheme cost is £18.247 million.
- (iii) Future approvals are made in accordance with the assurance pathway and approval route in this report including at full business case with finalised costs (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 assurance tolerances outlined in this report.

East Leeds Orbital Route

11.9 The Investment Committee recommends to the Combined Authority that:

- (i) The East Leeds Orbital Route project proceeds through decision point 5 and work commences on activity 6 (delivery)
- (ii) Approval to the Combined Authority's contribution of £90.33 million to be funded through the West Yorkshire plus Transport Fund, is given. The total project value is £147.49 million.
- (iii) The Combined Authority enters into an addendum to the existing funding agreement with Leeds City Council for additional expenditure of £64.473 million, taking the total approval to £90.33 million.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report including at decision point 6 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

12 Background documents

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

[3 September 2019 Investment Committee](#)

[1 October 2019 Investment Committee](#)

13 Appendices

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

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

Exempt Appendix 3 - South Kirkby

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

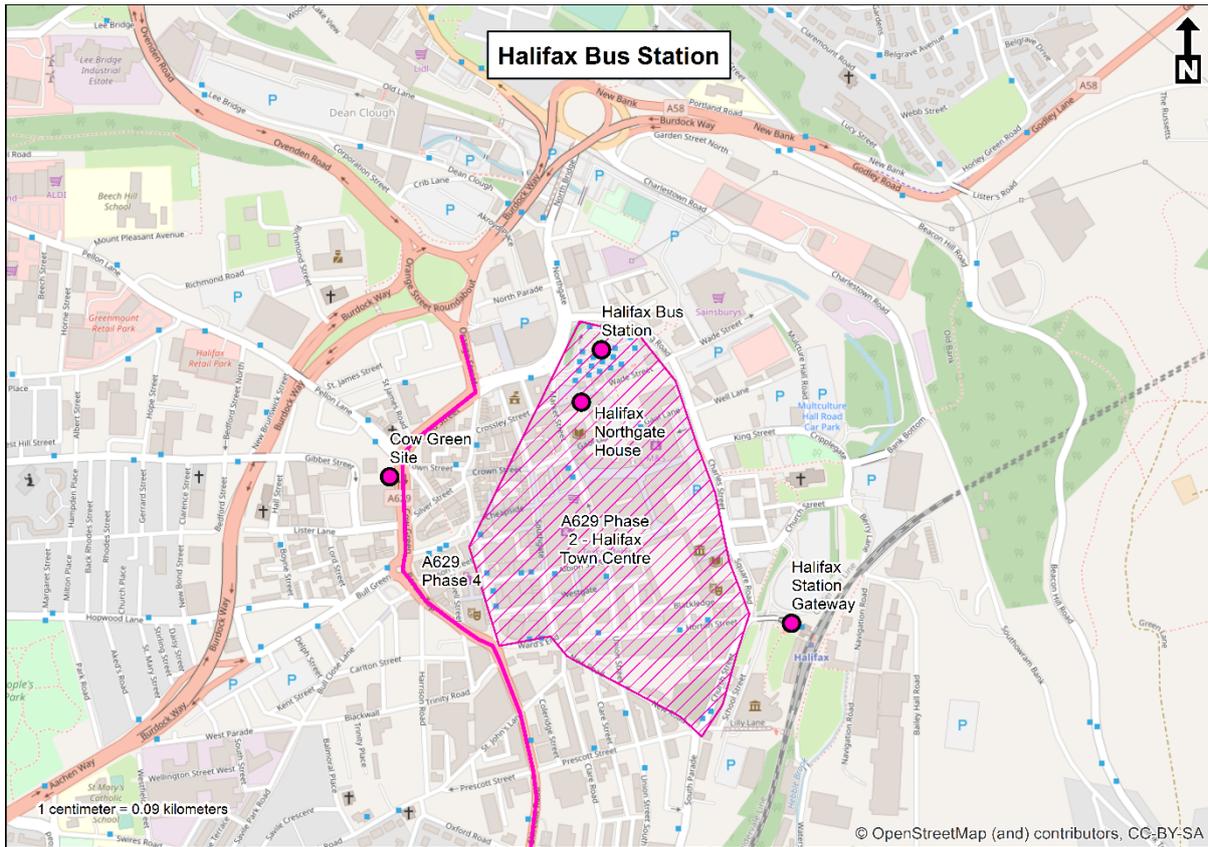
1.3 The tables for each scheme in the main report outlines the proposed assurance process and corresponding approval route for the scheme. The assurance pathway sets out the decision points which the scheme must progress through and will reflect the scale and complexity of the scheme. The approval route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

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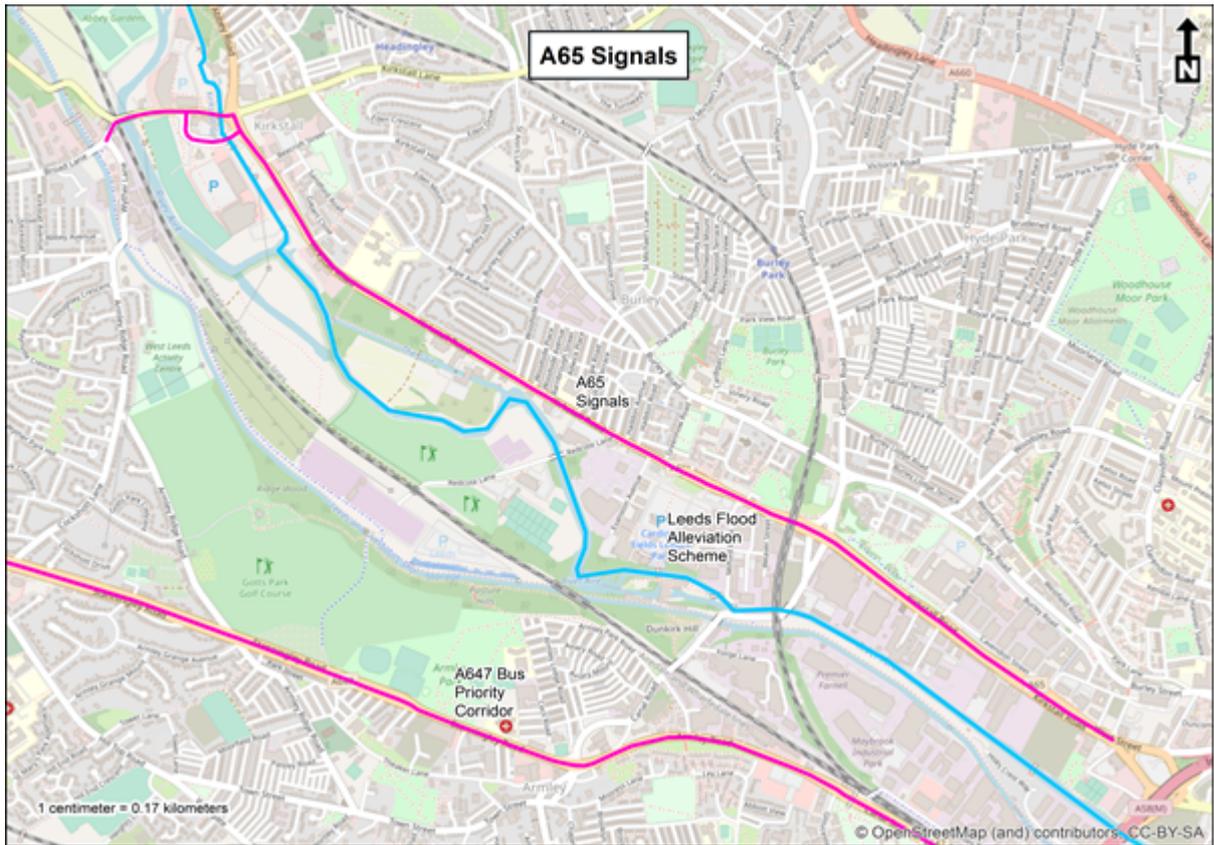
Halifax Bus Station



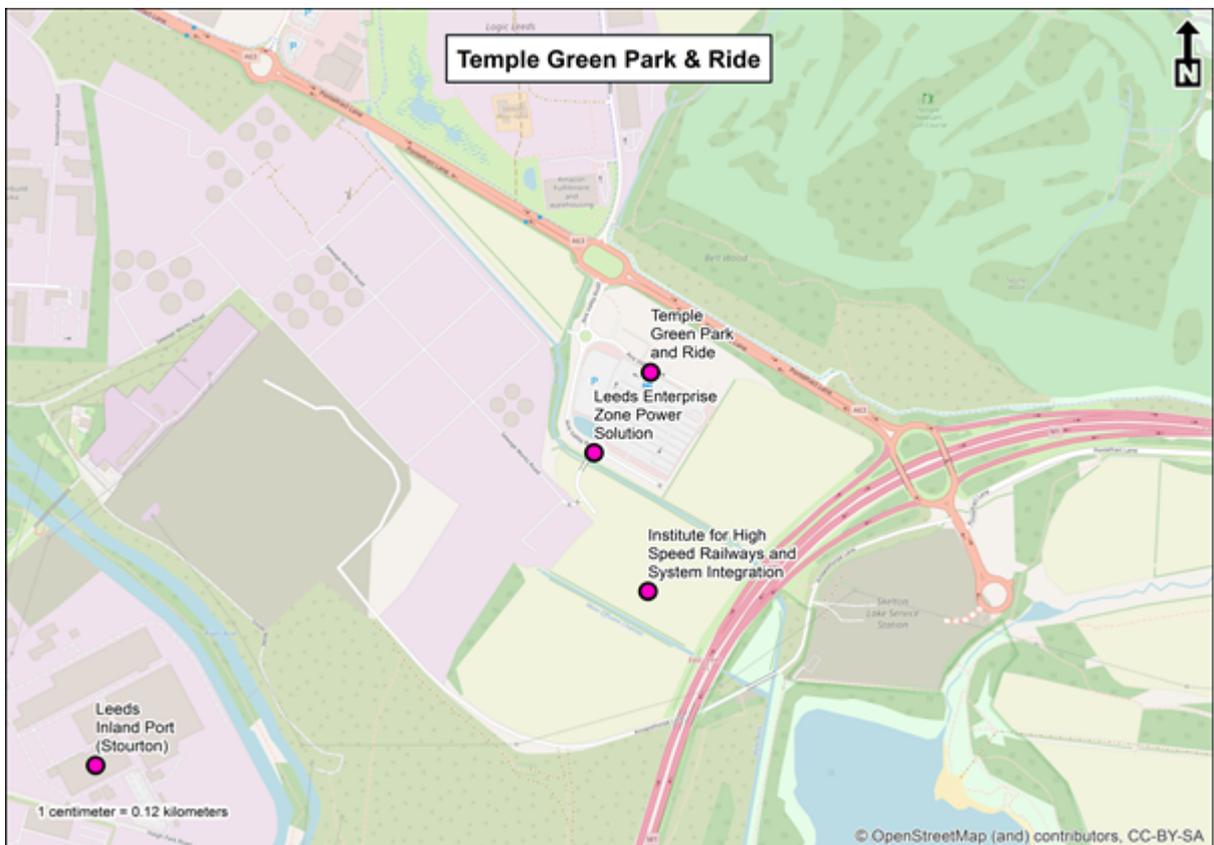
Clifton Business Park Enterprise Zone



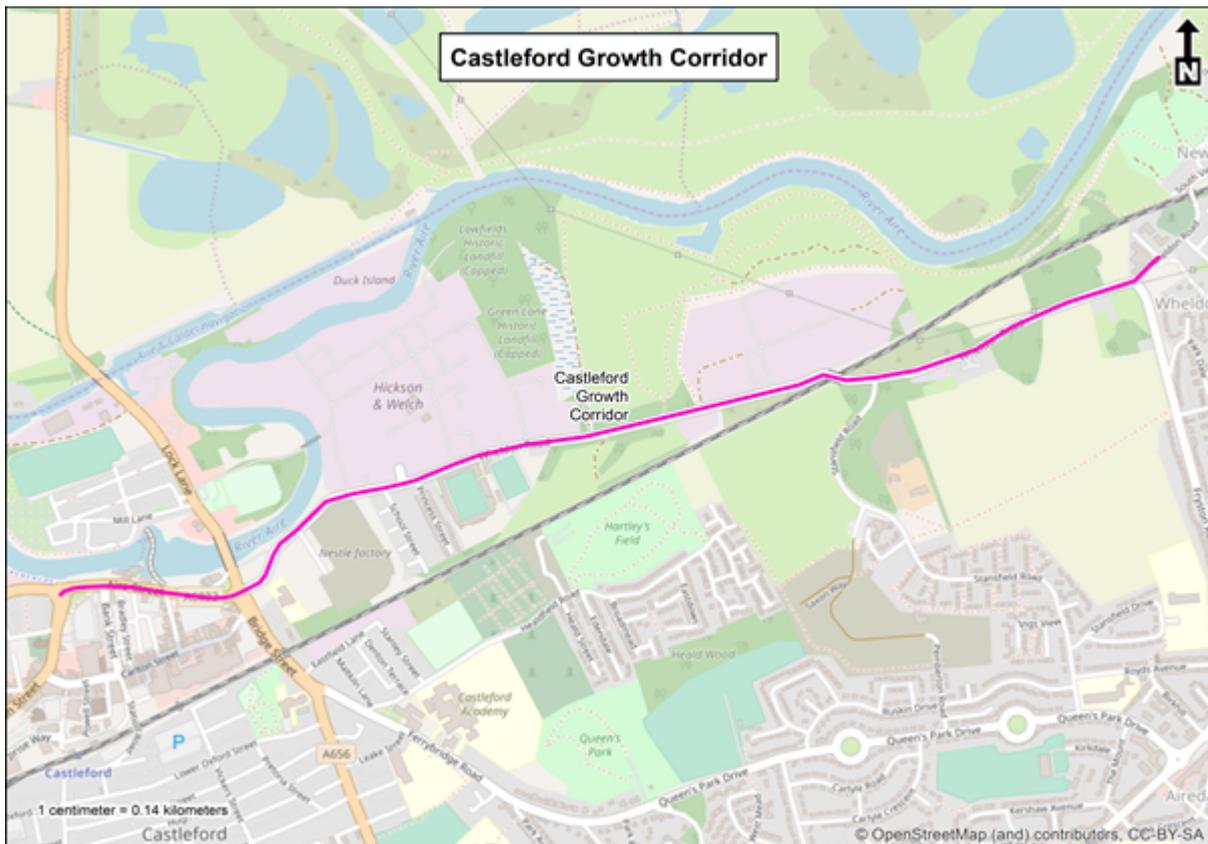
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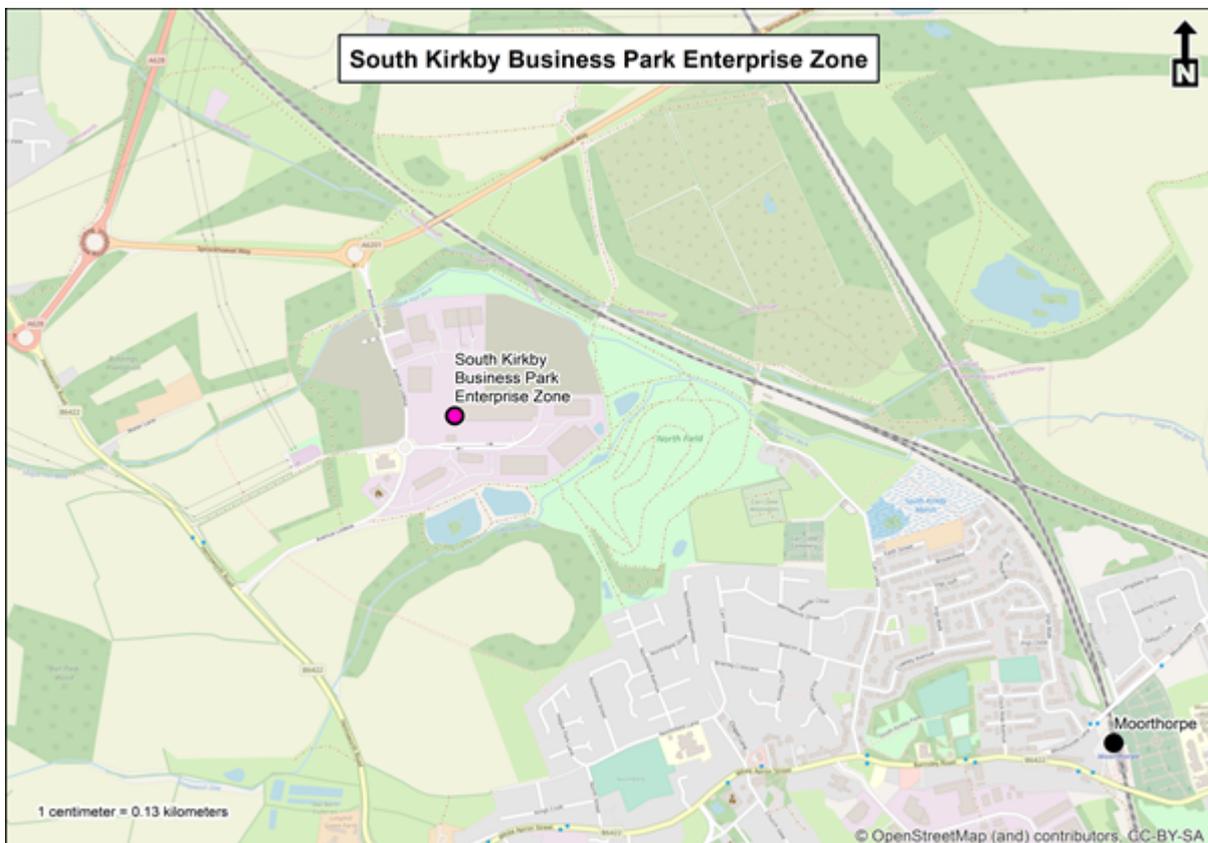
Temple Green P&R



Castleford Growth Corridor



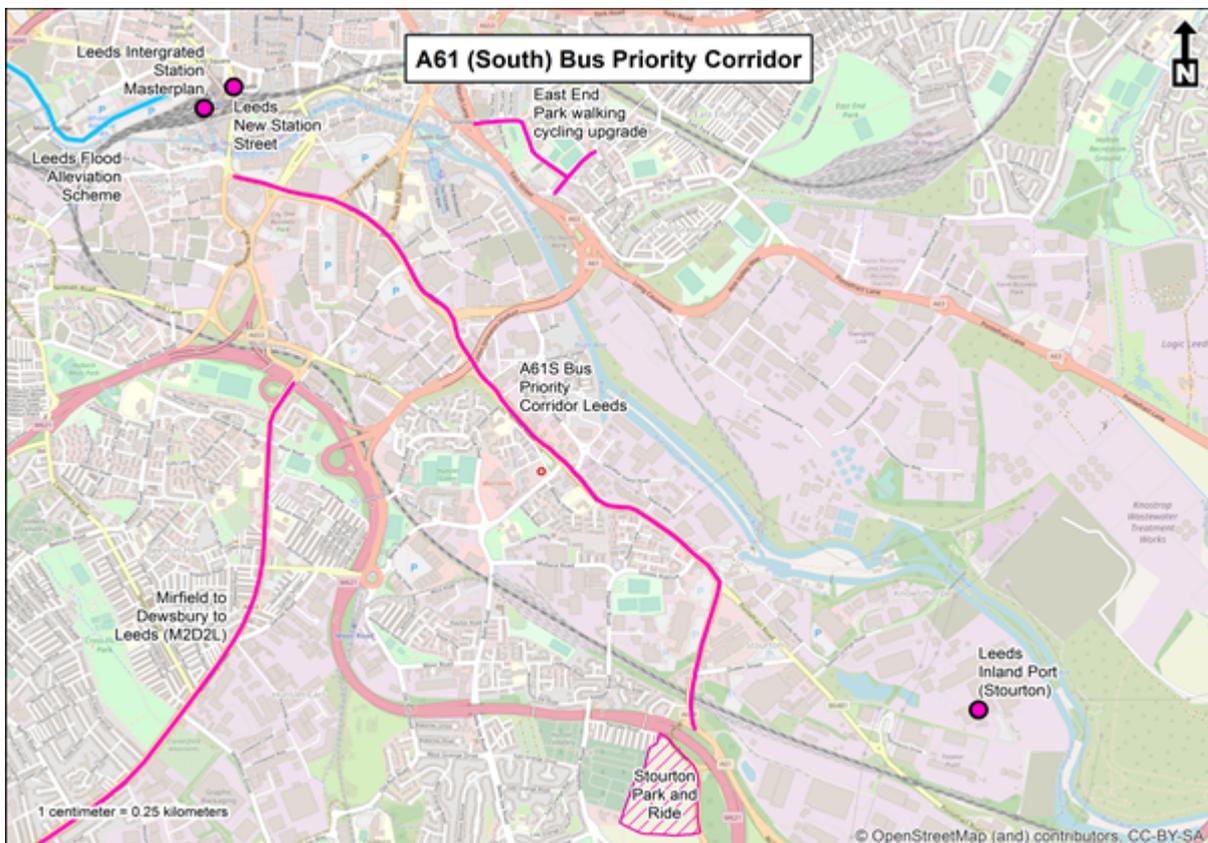
LCR Enterprise Zones - South Kirkby



Steeton & Silsden Rail P&R



A61 (South) Corridor



East Leeds Orbital Route (ELOR)



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Report to: West Yorkshire Combined Authority

Date: 10 October 2019

Subject: **Transforming Cities Fund**

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

1. Purpose of this report

- 1.1 The purpose of this report is to provide an update on the TCF Strategic Outline Business Case which is required to be submitted to Government on 28 November. This report seeks approval to delegate the final submission of the November bid to the Managing Director, in consultation with the Chair of Transport Committee.

2. Information

- 2.1 As part of the Government's Industrial Strategy and the National Productivity Investment Fund, the Transforming Cities Fund (TCF) aims to drive up productivity through improved connections between urban centres and suburbs. To do this, the Transforming Cities Fund provides a significant opportunity to invest in infrastructure to improve public and sustainable transport connectivity in some of England's largest cities.

- 2.2 Transforming Cities Fund is a £2.45 billion capital only fund, of which:

- £1.1 billion has been grant awarded to 6 Mayoral Combined Authorities (the grant award was based on a per capita basis). For example, the

West Midlands have already received £341million through TCF, as a result of having a mayoral devolution deal

- The 12 shortlisted non mayoral regions have already submitted ‘Tranche 1’ bids and been successful in being awarded shares of the £60m through the ‘small bids’. Small bids for investment of up to £2.2m in Kirklees and York were approved by Government in September 2018.
- The 12 shortlisted non mayoral regions (which includes Leeds City Region) are ‘allocated’ £1.28billion over a 5-year period to March 2023 and these areas are able to bid for a share funding – the Tranche 2 ‘big bids’ through submission of a Strategic Outline Business Case by 28 November 2019.
- There is a separate £90 million TCF fund requiring a separate bid for the Tranche 3 - ‘Future Mobility Zones’.

Big Bids & the Strategic Outline Business Case

2.3 The DfT guidance sets out that the big bid Strategic Outline Business Case (SOBC) needs to be for a coordinated package of proposals, which deliver transformed local public transport. The key elements of the DfT Criteria are summarised in Table 2.1.

Table 2.1 DfT Criteria for ‘big bid’ inferred from guidance document

Essential Criteria <i>(i.e. schemes ‘must’ support)</i>	Desirable Criteria <i>(i.e. schemes should support)</i>
<ul style="list-style-type: none"> • Improving capacity on commuting trips, access to employment / development centres • Reduce Carbon Emissions • Value for Money <ul style="list-style-type: none"> • Benefits to bus users • Benefits for walking and cycling • Deliverable by 2023 • Be Financially Sustainable to DfT • Match Funding Maximised 	<ul style="list-style-type: none"> • Social Value <ul style="list-style-type: none"> • Eg support Skills/Apprenticeships • Improve accessibility • Directly support housing delivery • Improve Air Quality • Integrates with Future Mobility Grand Challenge • Prioritised as part of Stage 1 TCF submission • Links to Prioritised TCF Corridors

2.4 On behalf of the Leeds City Region, the West Yorkshire Combined Authority submitted a SOBC to the DfT, as draft, on 20 June 2019 for a significant share of the £1.28billion available to the 12 shortlisted areas. The Executive Summary of the draft June Leeds City Region SOBC submission is included in **Exempt Appendix 1**.

2.5 This is a competitive bidding process and the guidance sets out that funding will be awarded to proposals which best meet the strategic objectives of the fund and demonstrate strong value for money. The DfT have also highlighted that

whilst business cases will be considered 'in the round', the greater the overall local contribution towards the costs and the more the contribution is from the private sector and other external organisations such as private transport operators, the more positively the business case will be considered in the assessment process.

- 2.6 The DfT guidance sets out that the final SOBC submissions must be made by 28 November 2019 through co-development with the DfT. Grant approval would be made by March 2020, with all TCF funding to be spent by March 2023.
- 2.7 The DfT guidance requires the Strategic Outline Business Case to be published on the Combined Authority website upon submission on 28 November. In order to enable submission of the SOBC, this report seeks to delegate approval to submit the TCF SOBC to the Managing Director, in consultation with the Chair of Transport Committee.
- 2.8 The DfT received draft SOBC submissions in June from the 12 shortlisted non-mayoral areas. The feedback received from the DfT around the June submission has been positive, with clarifications. The development of the November bid documentation is on-going, with close partnership working between the Combined Authority and District Partners. Based on the feedback received from the DfT and the known gaps in the draft bid in June, the key areas for development between June and November submissions are to:
- Complete the economic appraisal for the packages and programme. The guidance sets out that the economic appraisal for the SOBC should be consistent with Web TAG principles but should be carried out in a proportionate way. It also reiterates that as with Growth Deals, schemes should be at least "High" VfM (i.e. with a Benefit Cost Ratio of 2:1), and if not, then they should only be developed in exceptional circumstances which are clearly identified. Each scheme will require a VfM statement.
 - Ensure all schemes within the programme to reach a level of detail to enable consideration and assessment at Decision Point 1, which is the first stage of the Combined Authority's Assurance Framework.
 - Address the detailed clarification points raised by DfT on the June submission.
 - Reach an agreed position regarding bus operator contributions
 - Fine tuning of the funding packages, based on the latest scheme information
 - Ensure a clear approach to monitoring and evaluation.
- 2.9 To support the development of the bid, on 1 August, the Combined Authority unlocked £3m in funding from the WY+TF Transformational Fund to 'pump-prime' development work, to ensure that the Combined Authority, District Partners and the schemes are 'TCF delivery ready'. This funding will support

development work for the November submission as well as development work on the programme of schemes for the next 12 months.

- 2.10 The risks associated with our submission are set out in **Exempt Appendix 2**. The list of schemes included within the June submission is included in **Exempt Appendix 3**. Based on the development work outlined in paragraph 2.8, it should be noted that the information in Exempt Appendix 3 is in the process of being refined ahead of the November submission.

3. Clean Growth Implications

- 3.1. A key priority of the Leeds City Region TCF SOBC is to support carbon reduction and meet our climate change ambitions through delivery of public transport and sustainable travel projects.

4. Inclusive Growth Implications

- 4.1. A key priority of the Leeds City Region TCF SOBC is to support Inclusive Growth through targeting investment in those communities in greatest economic need.

5. Financial Implications

- 5.1. The DfT has made a contribution of £50,000 to the development of TCF. This has been used on consultancy support to develop the June SOBC submission, the small TCF submissions and the May 'Future Mobility Bid'. The use of the West Yorkshire + Transport Fund, Transformational Fund, is ensuring we are able to put forwards the strongest possible bid, and be 'TCF delivery ready'.
- 5.2. 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.

6. Legal Implications

- 6.1. On 13 December 2018, the Combined Authority delegated authority to Transport Committee to oversee and submit both the 'big bid' and the 'Future Mobility bid' and to utilise member working groups to develop the detailed scope and specification of the bids.
- 6.2. As this is a competitive bidding process, the details of the submission are confidential until the submission is deposited in November 2019 at which point the bid submission will be published on the Combined Authority website, in accordance with TCF guidance.
- 6.3. The information contained in Appendices 1, 2 and 3 have been identified as 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 negotiations.”

7. Staffing Implications

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

8. External Consultees

8.1. No external consultations have been undertaken.

9. Recommendations

9.1. That the Combined Authority delegates approval to submit the TCF SOBC to the Managing Director, in consultation with the Chair of Transport Committee.

10. Background Documents

10.1. There are no background documents referenced in this report.

11. Appendices

Exempt Appendix 1 – Executive Summary of June SOBC submission

Exempt Appendix 2 – Key Risks

Exempt Appendix 3 – Packages within each TCF funding scenario

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Report to: West Yorkshire Combined Authority

Date: 10 October 2019

Subject: **Tackling the Climate Emergency**

Director: Alan Reiss, Director Policy, Strategy and Communications

Author(s): Noel Collings and Jacqui Warren

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 of the Combined Authority’s work to tackle the climate emergency and promote clean growth, in pursuit of the Leeds City Region becoming net zero-carbon.

2. Information

- 2.1 The Combined Authority approved the Leeds City Region Energy Strategy and Delivery Plan (ESDP) in December 2018. It aims to dramatically reduce the City Region’s carbon emissions. It will not be easy and will require coordinated action by local government, industry, business and people of all ages. This is a programme of work that will be delivered in a phased approach, with short term projects and longer term, whole system actions.

Initial phases

- 2.2 In line with most of the region’s local authorities, the Combined Authority formally declared a climate emergency (27 June 2019) and, in consultation with partners, strengthened the city region’s ambition to become net zero-carbon by 2038, with significant progress made by 2030. The ESDP will be

updated to reflect this new target and will act as the delivery mechanism to address the City Region’s climate emergency.

2.3 The scale of the task ahead must not be underestimated with a 14.5 percent reduction in emissions required year-on-year and regional emissions halving every five years (Tyndall Centre 2019). Meeting this challenge now requires collective action from across all sectors and will require us all to change the way we live. There is a need for immediate action coupled with the need for long term strategic planning and delivery. This work must be supported by a robust evidence to ensure we can make significant progress to achieve net carbon zero by 2038, and with significant progress by 2030. Table 1 outlines some of the recent work the Combined Authority has carried out:

Engagement:

Activity	Description
Sector-specific low-carbon workshops	Held 4 workshops in late June / early July and identified over 50 transformational actions that could enable the City Region to meet its net zero-carbon ambition. Attended by over 150 individuals from across the public, private and third sector.
LCR Climate Coalition & Pledge	Launched the Coalition and Pledge. The Coalition will act as a combined, powerful collective working together to create a net zero-carbon City Region.
Media call	Launched (10 July) the strengthened City Region target and Leeds City Region Climate Change Coalition and Pledge.

Recent project development support:

Activity	Description
Energy Accelerator	11 low / zero carbon projects are receiving free project development support through the Energy Accelerator (including several district heat networks): <ul style="list-style-type: none"> • Leeds PIPES (phases 2 and 3) • Barnsley Civic Quarter • Bradford City Centre • Halifax Town Centre <p>And a range of energy efficiency projects on the public and NHS estate.</p> <p>Projects will then be installed by September 2021.</p>
Domestic Energy Efficiency Financing Models	Through the North East, Yorkshire and Humber Energy Hub the Combined Authority is commissioning consultancy support to identify the financial models that will enable domestic energy efficiency activity to be scaled up and delivered at pace (city-regional scale). This will identify ways to strengthen the current

Activity	Description
	Better Homes Programme that provides energy efficiency improvement works to households in the City Region.
REF and REF2	Resource Efficiency Fund (REF) offers SMEs free hands-on business support and up to 50% capital grant funding of up to £10,000 to help them save money and resources. The scheme ends in December 2019. The Combined Authority has therefore applied for ERDF funding for create a second Resource Efficiency Programme (RE-BIZ). Subject to funding, this new programme will also include circular economy principles and practices.
H21	Continued support for the development and delivery of the H21 project, led by Northern Gas Networks
Hydrogen	Supported a £32m University of Leeds Strength in Places Hydrogen Corridor proposal

Building evidence to support achieving the zero carbon target:

Activity	Description
Carbon Abatement Pathways	The Combined Authority is commissioning consultancy support to identify a carbon emissions reduction pathway(s) that will enable the City Region to meet its net zero-carbon target by 2038 with significant progress made by 2030. This will highlight the essential actions required.
Domestic Energy Efficiency Financing Models	Through the North East, Yorkshire and Humber Energy Hub commissioning consultant support to identify the financial models that will enable domestic energy efficiency activity to be scaled up and delivered at pace (city-regional scale).
Transport Emissions Reduction Pathways	Through the North East, Yorkshire and Humber Energy Hub commissioning consultant support to identify the different emissions reduction pathways that the transport system could take to contribute to achieving the City Region net zero-carbon target.
Clean Growth Audit	Identify the carbon and energy intensive industries in the City Region.

Further immediate opportunities for District Partners

- 2.4 There is an immediate opportunity for all local authorities to align to, and work more closely with the Combined Authority to address their local climate emergencies through a range of current projects. See **Appendix 1** which includes a wider range of Combined Authority and externally supported projects and **Appendix 2** which includes Combined Authority specific projects.

- 2.5 A meeting of the Green Economy Officer Group (GEOG¹) was held on 12 September to explore how all the City Region's local authorities can begin to work more closely on the Climate Emergency. Ideas to be explored will be:
- regional housing-related energy efficiency and fuel poverty programmes
 - zero carbon planning
 - procurement
 - zero emission fleets
 - decision making, and
 - Carbon literacy training.

West Yorkshire Combined Authority Corporate Approach to Clean Growth

- 2.6 In addition to this city-regional work, the Combined Authority has developed a new corporate approach to embedding clean growth, including reducing carbon emissions and tackling the climate emergency. It includes adopting a new clean growth policy, containing a set of principles for all staff to use, and a detailed action plan outlining what the Combined Authority will do as an organisation over the next two years. It covers the organisation's plans to reduce the direct environmental impact of how it works and behaves, as well as ensuring clean growth is embedded in proposals for projects to be delivered across the region in pursuit of corporate priorities. **See Appendices 3 (Policy), 4 (Plan on a Page) and 5 (Action Plan) for full details.**

- 2.7 Actions include:

- Refurbishing Wellington House to include the inclusion of a 25 kilowatt solar panel array, high efficiency LED lighting, daylight sensing and presence/absence controls and insulation, EV charging for two cars and aspiring to achieve an EPC rating of B for the building.
- Saving energy and carbon emissions by the introduction of the new IT technology being deployed across the authority
- Building on a reduction in energy consumption of 34 percent over the past +5 years, developing a Corporate Asset Management Plan (AMP) that embeds clean growth principles and explores higher standards of energy efficiency / renewable energy across the estate.
- Adopting a new Travel Policy and guidance on how to make sustainable travel choices for business use.
- Ensuring 100 percent of all our redundant office ICT equipment and office furniture is diverted from landfill via reuse or recycling.
- Replacing existing cleaning products with sustainable and eco-friendly versions.
- All printing paper to be sourced from sustainable sources and recycled

¹ This is a group of officers (energy, sustainability, housing, policy officers) working on climate / green issues from across the Leeds City Regions' Local Authorities.

- Building on the recent work to strengthen how clean growth and climate change impacts are considered as part of all new schemes that come through the Combined Authority's Assurance Framework.
- We will reduce the environmental impact of our services, projects and programmes through making sustainable choices on the goods and services we procure.
- Embedding clean growth actions across our City Region services and policies.

See **Appendix 5** for the full list of actions. Many of the proposed actions will have financial implications, for example where procuring the lowest carbon impact option involves additional cost. Combined Authority officers will factor this impact into proposed business plans for future years, and Members will receive advice on costs when considering future decisions.

2.8 An immediate action the Combined Authority has taken is to ensure all decisions we make include clean growth and climate change impacts. The Combined Authority:

- has strengthened how clean growth and climate change impacts are considered as part of all new schemes that come through the Combined Authority's Assurance Framework (Decision point 1 and 2)
- now requires all reports to include clean growth implications, including climate change qualitative impact assessments/considerations
- will review decision point 2 onwards of the Combined Authority's Assurance Framework and continue to strengthen clean growth considerations, including climate change impacts
- is developing a robust quantifiable methodology for assessing all new schemes predicted carbon emissions/wider clean growth impacts. This will include a review of all existing Combined Authority schemes and additional resource to support the development and implementation of the new quantifiable assessments. This will take up to a year to implement so as an interim solution schemes seeking approval from the Combined Authority will have to include a qualitative impact assessments/considerations only.

Next steps to become a net zero-carbon Leeds City Region

2.9 The Combined Authority will now build on the above work. **Appendix 6** is a summary of the work to be undertaken over the next year:

- **Communications and engagement:** ensure stakeholders and the wider City Region remain aware of the work that is taking place.
- **Evidence base – net zero-carbon pathways:** determine the contribution the different sectors (power, buildings, industry, transport, and land use) will make towards achieving the net zero-carbon target and the interventions that should be implemented. This work aims to be completed by end of 2019.
- **Project development and delivery:**
 - Build the LCR Climate Coalition
 - Hold a Zero Carbon Summit

- Deliver ~ 10 ESDP projects per year
- Secure new resources to deliver prioritised new actions from the workshops (para 2.3 – see table)
- Incorporate the results of the Carbon Abatement Pathways work into the ESDP.
- The newly established Zero Emissions Transport Working Group to develop a programme of work that will enable transport to contribute fully to delivering the net zero-carbon target.

3. Clean Growth Implications

- 3.1 The work outlined in this report directly relates to the clean growth agenda and allows the Combined Authority and the wider Leeds City Region to lead and accelerate clean growth. It documents the work that the Combined Authority is undertaking both corporately and with its partners across the Leeds City Region. As such the work outlined in the report above will have a positive effect on the clean growth agenda as projects will:
- reduce carbon emissions by reducing energy
 - reduce carbon emissions by generating local low / zero carbon energy
 - contribute to the delivery of a low emission transport system
 - increase the City Region’s resilience to current and future climate change
 - reduce flood risk / build climate resilience
 - integrate green and blue infrastructure

4. Inclusive Growth Implications

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

5. Financial Implications

City Region

- 5.1 Given the scale of the projects identified in the ESDP there are likely to be financial implications for the Combined Authority and partners. Each project as it develops will be subject to a robust business case. Exploring and securing funding will also form a large part of this work.

Corporate Clean Growth Programme

- 5.2 There is a resource implication associated with planned work in paras 2.8-9 above and relating to strengthening how clean growth and climate change impacts are considered as part of all new schemes that come through the Combined Authority.
- 5.3 Additional resources will be needed to allow the Combined Authority to deliver its Clean Growth Programme and elements it is responsible for in the ESDP (actions as per Appendix 1, 2 and 3). These pressures will be factored in to the Combined Authority’s business planning process for 2020/2021.

6. Legal Implications

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

7. Staffing Implications

7.1 Additional resources will be needed to allow the Combined Authority to deliver its Clean Growth Programme and elements it is responsible for in the ESDP (see actions as per Appendix 1, 2 and 3). Additional resource asks are being addressed through the Combined Authority's business planning process for 2020/2021.

8. External Consultees

8.1 The Green Economy Officer Group and Green Economy Panel have been closely involved in the development of the ESDP and recent City Region Workshops.

9. Recommendations

9.1 That the Combined Authority endorses the work to promote clean growth and tackle the climate emergency.

10. Background Documents

There are no background documents referenced in this report.

11. Appendices

Appendix 1 – Recent Combined Authority and Externally Supported Activity

Appendix 2 – Current Support Available Through the Combined Authority

Appendix 3 – Clean Growth Policy

Appendix 4 – Clean Growth Action Plan Summary

Appendix 5 – Clean Growth Action Plan

Appendix 6 – Next steps to delivering a net zero-carbon Leeds City Region

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Appendix 1 Climate Change Action

Recent combined Authority and externally supported activity

Activity	Description
Declaration of climate emergency	Combined Authority formally declared a climate emergency (27 June) bringing it in line with nine of the ten local authorities in the Leeds City Region.
Leeds City Region emission reduction target	Strengthened the City Region ambition to become net zero-carbon by 2038, with significant progress made by 2030.
Sector-specific low-carbon workshops	<p>Identification of transformational actions that could enable the City Region to meet its net zero-carbon ambition.</p> <p>Over 150 individuals from across the public, private and third sector attended four workshops in late June / early July.</p>
Media call	<p>Launched (10 July) the strengthened City Region target and Leeds City Region Climate Change Coalition and Pledge.</p> <p>The purpose of the Coalition is to act as a combined, powerful collective working together to create a net zero-carbon City Region.</p>
CityConnect programme	£60 million investment by 2020 in cycling and walking schemes across West Yorkshire and York since 2015.
Cycling and walking improvements	<p>£69 million investment through Local Growth Fund on cycling and walking improvements within the Combined Authorities wider delivery programme up to March 2021.</p> <p>Through this investment increases in usage has already been seen. For example a 26 percent increase has been recorded in people using the Cycle Superhighway and an extra 1,000 daily trips have been made across Scarborough Bridge, York.</p>
ULEV charging points	Installing 88 ultra-low emission vehicle charging points for taxis and cars. Target is for just over 5 percent of the region's taxis to be ULEV by 2020.
Better Homes Yorkshire	Energy efficiency measures and new heating systems have been installed in over 4,000 properties helping to reduce bills and alleviate fuel poverty.
Energy Accelerator / District Heat Networks	<p>City Region Energy Accelerator is helping to deliver several district heat networks including:</p> <ul style="list-style-type: none"> • Leeds PIPES (phases 2 and 3) • Barnsley Civic Quarter

Activity	Description
	<ul style="list-style-type: none"> • Bradford City Centre • Halifax Town Centre
Energy Accelerator - Non-domestic energy efficiency improvements	<p>Through the Energy Accelerator the Beckfoot Academy Trust is improving the energy efficiency of its schools and installing renewable energy systems.</p> <p>In addition, Leeds Teaching Hospital is upgrading its lighting through the Energy Accelerator.</p>
Street lighting upgrades	Bradford Council with support from the Energy Accelerator is upgrading street lighting across the City.
Natural flood management	£1.7 million investment in natural flood management projects across Calderdale and Kirklees which will help to protect around 3,000 homes and more than 1,000 businesses.
Domestic Energy Efficiency Financing Models	Through the North East, Yorkshire and Humber Energy Hub commissioning consultant support to identify the financial models that will enable domestic energy efficiency activity to be scaled up and delivered at pace (city-regional scale).
Transport Emissions Reduction Pathways	Through the North East, Yorkshire and Humber Energy Hub commissioning consultant support to identify the different emissions reduction pathways that the transport system could take to contribute to achieving the City Region net zero-carbon target.
Clean Growth Audit	Deep dive into the clean growth sector within the City Region to identify potential clustering opportunities.

Planned / emerging activity to be explore with Partners. Please note more actions will follow once the outputs from the regional workshops are finalised.

Activity	Description
Emissions reduction pathways	Building on the work of the transport emissions reduction pathways being developed through the North East, Yorkshire and Humber Energy Hub. Aims to identify the pathways the power, buildings, industry and land use sectors could make towards the City Region net zero-carbon target.
Climate Resilience Study	Explore funding a study utilising UK Climate Projections 18 (UKCP18) to determine the economic risks and opportunities that will occur with a warming climate.

Activity	Description
Natural capital evidence base	Developing an understanding of the monetary value of the natural capital of West and North Yorkshire. Informs the development of the Local Industrial Strategy.
REF2	Building on the original Resource Efficiency Programme to provide further support to SMEs. Looking to include a circular economy pilot.
H21	Continued support for the development and delivery of the H21 project, led by Northern Gas Networks.
Emerging ideas from the workshops	
Domestic Energy Efficiency (Retrofit)	Building on the Hub funded work above, develop domestic energy efficiency retrofit programmes to be scaled up and delivered at pace
Low carbon Planning	Explore how the City Region can strength and create strong zero carbon planning policy and requirements for all future developments. This could include reviewing current planning requirements across the City Region, reviewing current local planning powers, sharing best practice, developing supplementary guidance and aligning with national initiatives to strengthen the role planning can play in creating net zero carbon City Region.
Local Authorities as market makers	Explore the opportunities of the public estate and assets such fleets to lead the zero carbon transition.
Public sector renewable and retrofit	Explore the opportunities of the public estate to lead the zero carbon transition.
Demand side response	Explore a programme of support for new developments that may have electricity grid constraints that could be alleviated through smart energy reduction technologies or renewable energy.
Funding for industry support	Explore a programme of support for the City Region's carbon and energy intensive industries and businesses.
<i>Please note – The above is some emerging areas. These are to be confirmed once the outputs of the 4 regional workshops is complete and the Emissions reduction pathways work is complete.</i>	

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Appendix 2

Current support available through the Combined Authority to help with the Climate Emergency

Energy Accelerator

The Energy Accelerator (Accelerator) is a key initiative under priority three of the Strategic Economic Plan (SEP) which aims to create a zero carbon energy economy. It is a new innovative programme involving a team of expert advisors that are supporting the development of low carbon projects. The Accelerator offers free support to the commercial and public sector in the following areas:

- Energy efficiency and renewable energy (new and retrofitted)
- District heat networks
- Street lighting

Contact: Jelena.Covic@westyorks-ca.gov.uk

Resource Efficiency Fund

The Resource Efficiency Fund (REF) offers free expert advice and business support to small and medium sized enterprises (SMEs) to help them to implement energy and water efficiency and waste reduction measures.

For more details visit the [Resource Efficiency Fund](#) page on the LEP website.

Better Homes Yorkshire

This is a City Region wide programme delivering energy efficiency and heating improvements across the City Region's homes.

Contact Vicky.Dumbrell@westyorks-ca.gov.uk

North East, Yorkshire and Humber Local Energy Hub.

The Hub provides capacity to LEPs and local authorities to undertake the initial stages of development for priority local and regional energy projects and programmes up to a point where investment can be secured. A collaborative and coordinated approach across multiple LEP areas is encouraged through the Hub.

Contact Kiran.Parmar@westyorks-ca.gov.uk

Rural Communities Energy Fund

The Rural Community Energy Fund (RCEF) is a £10 million programme which supports rural communities in England to develop renewable energy projects. RCEF is being run by 5 regional Local Energy Hubs and provides support to rural communities in two stages

- Stage 1 grants of up to £40,000 for a feasibility study for a renewable energy project
- Stage 2; grants of up to £100,000 for business development and planning of feasible schemes.

For further information and application forms contact rcef@teesvalley-ca.gov.uk

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Clean Growth Policy

Supporting clean growth across our organisation

September 2019

Background

The West Yorkshire Combined Authority brings together local councils and businesses to ensure everyone in our region benefits from a strong, successful economy and a modern, accessible transport network. By harnessing our combined efforts, our vision is to make the Leeds City Region known globally as a place where everyone can build great businesses, careers and lives, supported by world-class transport, housing and digital connections.

To achieve this vision, we have four corporate priorities:

1. Boosting productivity
2. Enabling inclusive growth
3. Delivering 21st Century transport
4. Supporting clean growth

Aims

Our Action Plan sets out how we will achieve our fourth priority – supporting clean growth – by growing our regional economy whilst also cutting greenhouse gas emissions, including carbon dioxide. This plan also sets out how we will respond to the climate emergency which was formally declared by the Combined Authority and its partner councils in June 2019. Additionally, clean growth is one of the grand challenges within the Government’s Industrial Strategy plans and must be addressed through all Local Industrial Strategies. Our Strategic Economic Plan and Energy Strategy and Delivery Plan committed the City Region to achieving a net zero carbon economy by 2038 at the latest, with significant progress by 2030.

The Action Plan aims to:

- Enable the Combined Authority to lead by example and reduce its environmental impacts, tackle the climate emergency and create clean growth.
- Ensure that all staff and members are fully aware of what clean growth means and what we plan to deliver.
- Empower staff to play a vital part in delivering clean growth.
- Help the Combined Authority to save money by understanding the energy and natural resources it uses and how to use them more efficiently.
- Establish short term actions to work on for the next two years.

Scope

- This policy applies to all West Yorkshire Combined Authority employees.
- It covers activities in our operational control including the primary estate¹ that enable us to operate and deliver our services. See appendix 1.
- It also applies to services, policies, projects and programmes within our financial control and governance of the Combined Authority².

¹ Offices and bus stations

² Financial control boundary. See p6 of

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/206392/pb13944-env-reporting-guidance.pdf

Principles

To enable clean growth across our organisation, the Combined Authority will:



1. Reduce energy and carbon emissions

We will minimise energy use and reduce carbon dioxide emissions arising from the Combined Authority's estate through the introduction of energy efficient measures, renewable and clean energy generation (where possible) and staff behavioural initiatives.



2. Minimise waste and water consumption

We will minimise operational waste that arises across the Combined Authority's estate through waste reduction, reuse, recycling and staff behavioural change initiatives.



3. Tackle air quality and improve health

We will improve local air quality and cut harmful pollutants and carbon emissions by supporting healthier and more sustainable modes of business travel and by influencing low emission transport across the region



4. Use sustainable resources

We will reduce the environmental impact of our services, projects and programmes through making sustainable choices on the goods and services we procure.



5. Enhance our natural environment

We will integrate green and blue infrastructure and climate resilience into our estate and work where practically possible.

6. Integrate clean growth decision making



Through the Assurance Framework and other internal decision-making procedures, we will review, advocate and embed clean growth considerations into our activities wherever possible.

7. Measure and report our performance



We will monitor, benchmark and report annually on energy, water, waste consumption and carbon emissions to ensure we are meeting our targets

Appendix 1. Programme Scope.

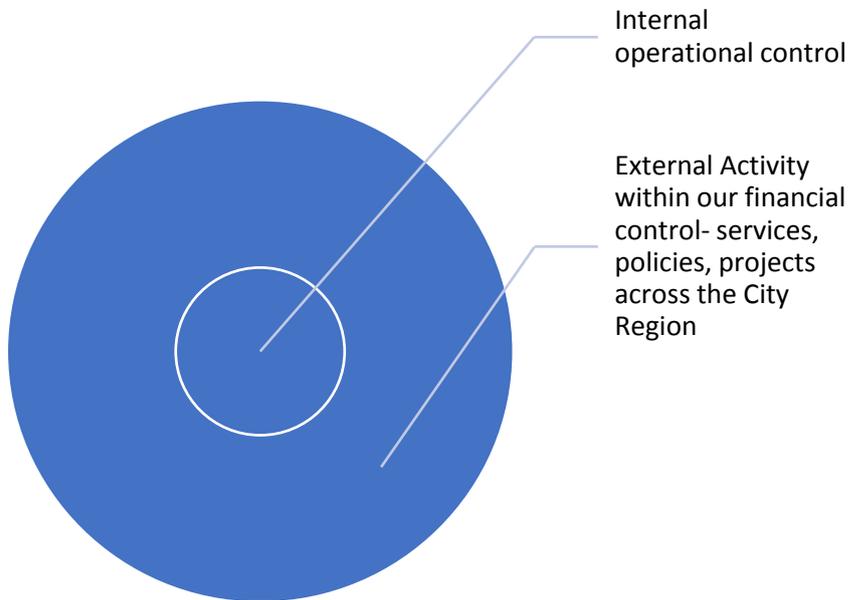


Figure 1. Proposed focus of activity (this is illustrative only and not to scale)

Find out more

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All information correct at time of print (October 19)

Clean Growth Action Plan - Plan on a page

This Action Plan sets out how we will achieve our fourth corporate priority – supporting clean growth – by growing our regional economy in an inclusive and sustainable way whilst also cutting greenhouse emissions, including carbon dioxide, and how we will lead the way as an organisation. It also outlines how we are responding to the climate emergency and how we will achieve our goal of becoming a net zero carbon City Region by 2038 at the latest.

In 2018-2019, our corporate activities were responsible for emitting just over 600 tonnes of carbon dioxide. Over the past five years we have reduced our energy consumption by 34% - now we need to go further and faster to play our role in addressing the Climate Emergency.

Our clean growth principles:



1. Reduce our energy and carbon emissions - installing efficiency measures, renewable energy sources and changing the ways we work in our offices and bus stations.



2. Minimise waste and water consumption - phasing out single use plastic, diverting all redundant office equipment from landfill and encouraging staff and customers to recycle even more.



3. Tackle air quality and improve health - replacing our operational vans with electric alternatives, adopting a new sustainable travel policy and increasing the number of pool bikes for staff.



4. Use sustainable resources – sourcing all our energy from 100% renewable sources, using only eco-friendly cleaning products and ensuring all paper is from sustainable sources.



5. Enhance our natural environment – integrating climate resilience into our work where possible and mapping out where new trees can be planted on our land by staff volunteers.



6. Integrate clean growth decision making – strengthening our Assurance Framework and other decision making processes in regards to climate impacts and developing a robust methodology for assessing future carbon emissions.



7. Measure and report our performance – creating a Combined Authority Carbon Footprint, publishing our performance annually and setting year-on-year carbon reduction targets.

The difference we will make

Delivering on our clean growth principles will enable us to:

- Lead by example and reduce our environmental impacts, tackle the climate emergency and create clean growth.
- Ensure staff and members are fully aware of what clean growth means and what we plan to deliver.
- Help to save money by understanding the energy and natural resources we use and how to use them more efficiently.
- Establish short term actions for the next two years.

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Clean Growth Action Plan

Supporting clean growth across our
organisation

September 2019

Background

The West Yorkshire Combined Authority brings together local councils and businesses to ensure everyone in our region benefits from a strong, successful economy and a modern, accessible transport network. By harnessing our combined efforts, our vision is to make the Leeds City Region known globally as a place where everyone can build great businesses, careers and lives, supported by world-class transport, housing and digital connections.

To achieve this vision, we have four corporate priorities:

1. Boosting productivity
2. Enabling inclusive growth
3. Delivering 21st Century transport
4. Supporting clean growth

Why do we need a Clean Growth Action Plan?

Our Action Plan sets out how we will achieve our fourth priority – supporting clean growth – by growing our regional economy whilst also cutting greenhouse gas emissions, including carbon dioxide. This plan also sets out how we will respond to the climate emergency which was formally declared by the Combined Authority and its partner councils in June 2019. Additionally, clean growth is one of the grand challenges within the Government's Industrial Strategy plans and must be addressed through all Local Industrial Strategies. Our Strategic Economic Plan and Energy Strategy and Delivery Plan committed the City Region to achieving a net zero carbon economy by 2038 at the latest, with significant progress by 2030.

The Action Plan aims to:

- Enable the Combined Authority to lead by example and reduce its environmental impacts, tackle the climate emergency and create clean growth.
- Ensure that all staff and members are fully aware of what clean growth means and what we plan to deliver.
- Empower staff to play a vital part in delivering clean growth.
- Help the Combined Authority to save money by understanding the energy and natural resources it uses and how to use them more efficiently.
- Establish short term actions to work on for the next two years.

Scope

- Functions related to the West Yorkshire Combined Authority and Leeds City Region Local Enterprise Partnership are covered by this plan.
- It covers activities in our operational control including our offices and bus stations that enable us to operate and deliver our services.

- It also applies to externally facing services, policies, projects and programmes within our financial control and governance of the Combined Authority¹.

Clean growth principles

To enable clean growth across our organisation, the Combined Authority will:



1. Reduce energy and carbon emissions

We will minimise energy use and reduce carbon dioxide emissions arising from the Combined Authority's estate through the introduction of energy efficient measures, renewable and clean energy generation (where possible) and staff behavioural initiatives.



2. Minimise waste and water consumption

We will minimise operational waste that arises across the Combined Authority's estate through waste reduction, reuse, recycling and staff behavioural change initiatives.



3. Tackle air quality and improve health

We will improve local air quality and cut harmful pollutants and carbon emissions by supporting healthier and more sustainable modes of business travel and by influencing low emission transport across the region



4. Use sustainable resources

We will reduce the environmental impact of our services, projects and programmes through making sustainable choices on the goods and services we procure.

¹ Financial control boundary. See p6 of

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/206392/pb1394-4-env-reporting-guidance.pdf



5. Enhance our natural environment

We will integrate green and blue infrastructure and climate resilience into our estate and work where practically possible.



6. Integrate clean growth decision making

Through the Assurance Framework and other internal decision-making procedures, we will review, advocate and embed clean growth considerations into our activities wherever possible.



7. Measure and report our performance

We will monitor, benchmark and report annually on energy, water, waste consumption and carbon emissions to ensure we are meeting our targets

What we have already achieved

What changes are we making to how we run the business?

- We are refurbishing our main office, Wellington House, to make it more energy efficient and fit-for-purpose by installing solar panels, low-energy lighting and other carbon cutting measures.
- We're looking at all our internal processes to find new ways to be more resource efficient such as going paper-free and introducing more flexible working options.
- We have a staff policy which ensures that people use public or active transport where possible.
- Our Assurance Framework is being strengthened to explicitly consider clean growth impacts of all proposed projects.
- Our reports will all contain climate change implications from October 2019.

- We have reduced our electricity consumption by 34%
- We support our staff to travel to work by sustainable means of transport.
- Our plastic cups in all meeting rooms are biodegradable.

What are we doing in terms of delivering for the City Region?

Here are some highlights:



We've taken over 9,000 cars a week out of Leeds City Centre as a result of our Park and Ride services helping to improve air quality and cut congestion.



We've saved 117,000 tonnes of carbon through our Better Homes Yorkshire scheme – warming homes and helping residents save money on their bills.



We've saved enough energy to make 72 million cups of tea through our Resource Efficiency Fund.



We've sowed seven million seeds to create a living wall that will improve air quality in Calderdale.

And.....

- Growing the region's green economy has been a focus of City Region partners for the past decade. Becoming a zero carbon City Region has been part of our ambition since we published our Strategic Economic Plan in 2014.
- Overall there has been a 38% reduction in carbon emissions in the City Region since 2005, compared to 27% nationally. Initiatives led by the LEP and Combined Authority have made a small but significant contribution to an
- As part of the Leeds City Region Energy Strategy, adopted in December 2018, we are developing initiatives and exploring opportunities such as energy efficient street lighting schemes, the development of hydrogen buses and refuelling stations, and carbon capture storage.

Transport

- By 2020, the Combined Authority, through our City Connect programme, will have invested £60 million in cycling and walking schemes across West Yorkshire and York since 2015.
- An estimated £69 million from the Local Growth Fund will be spent on walking and cycling improvements within our wider delivery programme up to March 2021.
- A 26% increase has been recorded in people using the Cycle Superhighway between May and July 2018, compared to the same period in the previous year. Most recently, the £3 million improvements to create a fully accessible crossing as part of Scarborough Bridge in York has seen an extra 1,000 daily trips made by people on bike or on foot.
- Our Travel Plan Network provides sustainable travel advice to businesses to help more people walk, cycle or use public transport to get to work. This year we will be working with an additional 96 employers.
- We're contributing to cleaner air by installing 88 ultra-low emission vehicle (ULEV) charging points for taxis and cars with a goal of making 5.1% of our region's taxis ULEV by 2020.
- In addition, we are currently developing business cases to unlock a further £12 million from the Local Growth Fund to deliver further improvements to enable more people to travel by bike or on foot.

Buildings

- This year the Combined Authority will enable 750 households to be warmer, save money and become more energy efficient through our Better Homes Yorkshire programme.
- We're supporting a further 88 businesses to save money on their energy bills and use less water and waste through resource efficiency funding and advice.
- The Leeds PIPES district heat network, which is due to receive £4 million Leeds City Region Growth Deal funding, will bring low carbon, lower cost heating and hot water to homes and buildings in the city centre, while also cutting 22,000 tonnes of carbon emissions every year.
- The LEP's Energy Accelerator is the only programme of its kind of the UK and will enable £60 million worth of capital investment in low carbon and energy efficient projects which otherwise may not have been completed due to a lack of capacity, expertise and funding.

Flooding

- The Combined Authority's Green and Blue Infrastructure Strategy sets out how City Region partners can use natural assets to help the economy prosper, improve quality of life for residents, reduce carbon emissions and make the region more resilient to climate change.
- The LEP is investing £1.7 million in natural flood management projects in Calderdale and Kirklees which will reduce the risk of flooding to around 3,000 homes and more than 1,000 businesses and support biodiversity.

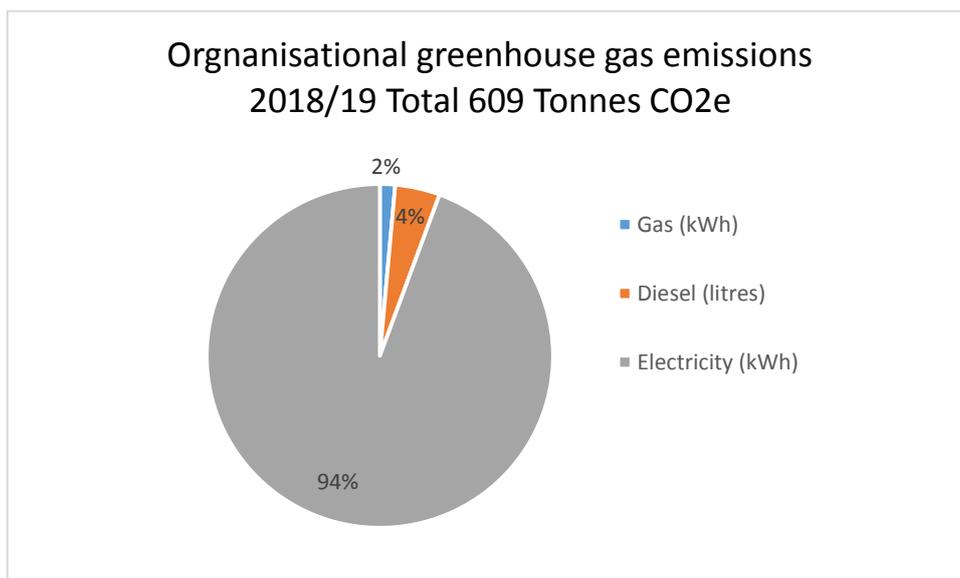
What is our current impact on the environment?

To function, our organisation needs to consume energy to light our buildings, power our equipment and heat our buildings. We also have to travel for business purposes, we generate waste and use water. All of these actions can have a negative impact on our natural environment. Some actions also create carbon and other harmful emissions that are contributing towards global warming and climate change and poor local air quality.

The Combined Authority declared a Climate Emergency in June 2019 and the City Region is committed to becoming a net zero carbon economy by 2038 at the latest, and to make significant progress by 2030. To enable the Combined Authority to play its part in helping the region tackle the climate emergency we need to understand and reduce our own carbon dioxide emissions and environmental impacts.

What natural resources do we use and what is our carbon footprint?

We have calculated the carbon emissions (or carbon dioxide equivalents²) we are responsible for emitting from our own buildings (excluding tenants) and business travel, based on electricity, gas and fuel consumed between April 2018 and March 2019. We call this our carbon footprint. In 2018/19 our actions were responsible for emitting just over 600 tonnes of carbon dioxide equivalents.



The amount of waste, water and paper consumption have also been collated to create a comprehensive picture of the natural resources we use. This creates an accurate baseline for us to begin to manage and improve. See below:

² is a metric measure used to compare the emissions from various [greenhouse gases](#) on the basis of their [global-warming potential \(GWP\)](#), by converting amounts of other gases to the equivalent amount of carbon dioxide with the same global warming potential.

Emissions/ Natural Resource Consumption	Values
CO2 emissions (annual)	609 tonnes CO2e
Water consumption (annual)	26,500 cubic meters
Waste (annual)	240 tonnes
Recycling rate	8 – 12%
Paper consumption (annual)	3 million sheets

The next steps are to compare the data against suitable benchmarks for similar organisations. To negate varying scale effects, this could be done on a per employee basis or the number of passengers using transport facilities.

Over the next two years more work is needed to create a robust carbon footprint that includes waste, water and business travel emissions.

The Clean Growth Action Plan

In order to tackle the climate emergency and ensure we play our part in the making the Leeds City Region a net zero carbon economy it is vital we embed clean growth across the all areas of the Combined Authority.

Operational activities

Reducing our operational energy and carbon emissions

We will minimise energy use and reduce carbon dioxide emissions arising from the Combined Authority's offices and bus stations through the introduction of energy efficient measures, renewable and clean energy generation (where possible) and staff behavioural initiatives.

Over the coming two years we will:

- Embed clean growth principles into the refurbishment of Wellington House including the inclusion of a 25 kilowatt solar panel array, high efficiency LED lighting, daylight sensing and presence/absence controls, designed to aspire to BREEAM very good, retention of the two high efficiency condensing boilers, window improvement works, external envelope insulation, roof insulation, optimised energy and thermal, reusing and recycling integrated into design, EV charging for two cars and aspiring to achieve an EPC rating of B for the building.
- Save energy and carbon emissions through reducing the number of servers we use and moving to Microsoft's Cloud.
- Save energy and carbon emissions by the introduction of the new IT technology being deployed across the authority
- Promote clean growth behaviours as part of the roll-out of our new IT equipment, including how all staff can save saving energy and go paperless.
- Build on a reduction in energy consumption of 34 percent over the past +5 years, develop a Corporate Asset Management Plan (AMP) that embeds clean growth principles and explore higher standards of energy efficiency / renewable energy across the estate.
- Explore creating zero carbon bus stations. Including a pilot at Brighouse Bus Station.

Minimising our waste and water consumption

We will minimise waste that arises across the Combined Authority's offices and bus stations through waste reduction, reuse, recycling and staff behavioural change initiatives.

Over the coming two years we will:

- Introduce new signage and staff communications on recycling
- Ensure 100% of all our redundant office ICT equipment and office furniture will be diverted from landfill via reuse or recycling.
- Remove single use plastic in all meeting rooms.
- Explore maximising recycling in Wellington House and our bus stations by introducing a new policy statement, new recycling provisions and explore solutions such as the #LeedsByExample programme in all bus stations.

Tackling air quality and improve health

We will improve local air quality and cut harmful pollutants and carbon emissions by supporting healthier and more sustainable modes of business travel and by influencing low emission transport across the region.

Over the coming two years we will:

- Adopt a new Combined Authority Travel Policy and guidance on how to make sustainable travel choices for business use.
- Replace all our operational vans with electric alternatives.
- Use the City Car Club for all our car related business journeys (and only when sustainable means are not feasible).
- Explore increasing the number of pool bikes (traditional and electric).
- Utilise the Travel Plan Network and City Connect to support our business travel options.

Sustainable resources

We will reduce the environmental impact of our services, projects and programmes through making sustainable choices on the goods and services we procure.

Over the coming two years we will:

- Replace existing cleaning products with sustainable and eco-friendly versions.
- All printing paper will be sourced from sustainable sources and recycled.
- Hold clean growth workshops for all procurement staff to ensure
- Source all our energy from 100 percent renewable sources.
- Embed the principles of clean growth in to the refreshed Procurement Strategy.
- Sustainable procurement models / frameworks to establish a programme of improvement which will embed clean growth into the procurement processes.

Enhance our natural environment

We will integrate green and blue infrastructure and climate resilience into our work where practically possible.

Over the coming two years we will:

- Map out where new trees could be planted on our land by staff volunteers.

Integrated clean growth decision making

Through the Assurance Framework and other internal decision-making procedures, we will review and embed clean growth considerations into our activities.

Over the coming two years we will:

- Build on the recent work to strengthen how clean growth and climate change impacts are considered as part of all new schemes that come through the Combined Authority's Assurance Framework (Decision point 1 (Strategic Assessment and 2 (Strategic Outline Case)) and we will review decision point 2 onwards and continue to strengthen clean growth considerations, including climate change impacts.
- Develop a robust quantifiable methodology for assessing all new schemes predicted carbon emissions and wider clean growth impacts. This will include a review of all existing Combined Authority schemes and additional resource to support the development and implementation of the new assessments.
- Ensure all Combined Authority reports will include clean growth, including climate change impact assessments/considerations.

Measuring and reporting performance

We will monitor, benchmark and report annually on energy, water, waste consumption and carbon emissions.

Over the coming two years we will:

- Create the Combined Authority's Carbon Footprint for the following: carbon emissions, energy, water and waste consumption (and aligned to the emerging Asset Development Plan)
- Annually publish our performance and consumption for the following: carbon emissions, energy, water and waste consumption.
- Set year-on-year-carbon reduction targets in line with the City Regional net zero carbon target once the refurbishment of Wellington House is complete.

Delivering for the City Region

We will also embed clean growth into our services and the support we offer across the City Region.

Reduce energy, waste and water and carbon emissions and enhance our natural environment

Over the coming two years we will:

- Coordinate and accelerate delivery of the Leeds City Region's Energy Strategy and Delivery Plan.
- Explore how to develop new energy efficiency schemes in the domestic sector and nine other zero carbon projects by March 2020.
- Build the Leeds City Region's Climate Coalition and work with partners to ensure the City Region's ambition to be a Net Zero Carbon City region by 2038, with significant progress made by 2030.
- Lead delivery of the Leeds City Region's Green and Blue Infrastructure Strategy and Delivery Plan.
- Secure funding and deliver Re-Biz (formerly Resource Efficiency Fund) and support SME's to become resource efficient through saving energy, water, waste and carbon and support businesses to understand and implement circular economy practices and principles.

Tackle air quality and improve health

Over the coming two years we will:

- Commission a City Region Low Carbon Transport Pathway Study to determine how the Transport Sector in the Leeds City Region can decarbonise in line with the Region's net zero carbon target.
- Use the findings of the City Region Low Carbon Transport Pathway Study to help inform the development of the Connectivity Strategy (and other transport strategies) and support the new Zero Emission Transport Working Group.
- Complete the West Yorkshire Zero Carbon Bus Roadmap and working with the Bus Alliance to develop an action plan.

Integrated clean growth decision making

Over the coming two years we will:

- Build on the recent work to strengthen how clean growth and climate change impacts are considered as part of all new schemes that come through the Combined Authority's Assurance Framework (Decision point 1 and 2) and we will review decision point 2 onwards and continue to strengthen clean growth considerations, including climate change impacts. This will include a review of all existing Combined Authority schemes and additional resource to support the development and implementation of the new assessments.

- Develop a robust quantifiable methodology for assessing all new schemes and grant award's predicted carbon emissions/and wider clean growth impacts.
- All Combined Authority reports will include clean growth, including climate change impact assessments/considerations.
- Explore the inclusion of clean growth principles in all Combined Authority funding agreements.
- Explore clean growth opportunities within our future grants and loan funding programmes.
- Embed clean growth into the City Region's Industrial Strategy and maximise economic opportunities.
- Complete the Clean Growth Audit and highlight unique clean growth opportunities for the Industrial Strategy.
- Embed clean growth into a range of other areas:
 - Our advice to the LEP Panels and the wider businesses community
 - Skill Commission and carry out detailed forecasting of future clean growth job opportunities
 - UK Shared Prosperity Fund
 - Transforming Cities Fund
 - 4-5 large trade and investment priorities

We will also communicate our clean growth principles and actions through:

- The internal clean growth staff awareness campaign.
- Our Clean Growth Champions, Clean Growth Team and Clean Growth Director Champion - Alan Reiss.
- Embedding clean growth into our Induction Programme and Human Focus.
- In City Exchange, Economic Services have set up a Green Team who each month are taking practical actions and promoting sustainable, clean growth actions across the office. Actions include energy saving, reducing printing, veganism, upcycling for Christmas and clothes and gift exchange.

Measure and report performance

Over the coming two years we will:

- Annually update the carbon footprint for the organisation.
- Annually disclose our performance and consumption for the following: Carbon Emissions, Energy, Water and Waste Consumption.
- Celebrate and promote our clean growth work across the region, and wider.
- Post the refurbishment of Wellington House, set year on year reduction targets for the following: Carbon Emissions, Energy, Water and Waste Consumption (and build these into the Asset Development Plan). These should be aligned to regional net zero carbon target by 2038.

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NET ZERO-CARBON LEEDS CITY REGION

COMMUNICATION & ENGAGEMENT	EVIDENCE BASE	PROJECT DEVELOPMENT & DELIVERY	FINANCING & RESOURCING	CLEAN GROWTH PROGRAMME	LOCAL AUTHORITIES	MANAGEMENT & MONITORING
Climate Change Coalition	Sector-Specific Low-Carbon Workshop Report(s)	Energy Strategy & Delivery Plan Projects	Resourcing & Funding Plan	Clean Growth Policy	Joint Opportunities Identification	Coordination & Reporting
Influencing Strategy	Emission Reduction Pathways	REF2	Green Blue Infrastructure Coordinator	Clean Growth Action Plan	Shared Evidence Base & Standardisation	Monitoring Plan
Summit 2020	Clean Growth Audit	District Heat Networks	Devolution Asks	Clean Growth Embedding (e.g. Strategic Outline Bus. Case)	LA / CA Resourcing & Funding Plan	Annual Progress Report
Stakeholder Engagement	Natural Capital Evidence Base	H21	+ Business Case Development (x?)	Sustainability Impact Assessment Framework	Joint Delivery Plan & Timeline	
Relationship development	Climate Resilience Study	EV Charging & Infrastructure		Staff Training	Differentiation of Roles & Responsibilities	
Communications Plan	Green Blue Infrastructure / Natural Capital Sector Analysis	Smart Park & Ride		Internal Communications Plan		
159	+ Research ID'd from Workshops	Energy Hub Projects		Staff Behaviour Change Campaign		
		Domestic Energy Efficiency Financing Models				
		Transport Emissions Reduction Pathways				
		GBI Strategy & Delivery Plan Projects				
		Natural Flood Management Programme				
	Network of Off-Road, Safe Cycling & Walking Routes					
	White Rose Forest Plan					
	Peatland Restoration Programme					
	Post-Brexit Agricultural & Environmental Policy					
	+ Projects ID'd from Workshops					

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Report to: West Yorkshire Combined Authority

Date: 10 October 2019

Subject: **Devolution**

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

Author(s): James Flanagan

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

1. Purpose of this report

- 1.1 To provide an update on progress towards securing devolution to Leeds City Region.

2. Information

Background

- 2.1 The 2019/20 West Yorkshire Combined Authority Corporate Plan states that: “We remain steadfast in our belief that only further devolution will give us the powers and money we need to make the right, long-term decisions that will tackle inequalities within our economy. We will continue to be pragmatic and flexible with Government, and be prepared to work with colleagues across Yorkshire to advance a deal that will bring more investment into our interests of the people and communities we serve”.
- 2.2 In February this year, the Combined Authority considered a report which provided an update on progress towards securing devolution to Leeds City Region. Members noted that a formal response had been received from

Government rejecting the One Yorkshire submission and that a copy of the letter would be circulated.

Recent developments

- 2.3 On 12 February, the then Secretary of State, the Rt Hon James Brokenshire MP, wrote to One Yorkshire Leaders and Mayors in response to the submitted One Yorkshire proposals. The Secretary of State offered to “begin discussions about a different, localist approach to devolution in Yorkshire” whilst also stating the completion of the Sheffield City Region deal “is essential for talks to progress”. Following the letter from the Secretary of State, Hambleton District Council withdrew its support for pursuing a One Yorkshire deal.
- 2.4 The remaining 18 One Yorkshire Leaders and Mayors were subsequently invited to a meeting with the Secretary of State in Ripon on 1 March in order to discuss the following agenda items: devolution criteria, why One Yorkshire still has local support; interim arrangements; and next steps.
- 2.5 As a result of that discussion, One Yorkshire Leaders and Mayors issued a statement on 1 March which highlighted that they remained committed to the One Yorkshire approach to devolution. In recognition of the further work that is required to make progress, and the time that this would require, this should include discussions on interim funding arrangements. There was therefore agreement with the then Secretary of State that Chief Executives from One Yorkshire authorities would begin work immediately with senior officials from the Ministry of Housing Communities and Local Government and HM Treasury on these interim arrangements and the points raised in the One Yorkshire submission; and an agreement to meet with the Secretary of State again later in the year.
- 2.6 On Friday 8 March, the One Yorkshire Conference was held in Leeds bringing together leading national and regional figures including key note speeches by Cllr Judith Blake, Leader of Leeds City Council and the Northern Powerhouse Minister, Jake Berry MP, which both explored Yorkshire’s place in a post-Brexit economy and how devolution to the region can ensure it plays its full part in driving future prosperity for the North and the UK.
- 2.7 On 7 May, the Secretary of State responded to a 25 March letter from the Sheffield City Region (SCR) Mayor Dan Jarvis and the South Yorkshire council Leaders and Mayor about how the SCR deal might be unlocked. In the reply, the Secretary of State proposed that he is “...prepared to implement the (SCR) deal with an understanding that after 2022, those Councils that do not see their future in the City Region should be free to join an alternative wider Yorkshire devolution group...”
- 2.8 At Prime Minister’s questions on 26 June, in response to a question from Julian Sturdy MP, the then Prime Minister, Theresa May stated: “I absolutely recognise, as we do across the Government, Yorkshire’s enthusiasm for and dedication to devolution and the potential seen there for harnessing local people’s sense of identity with Yorkshire. We share the ambition of doing what

is best for Yorkshire, its people and its businesses. My right Hon. Friend the Communities Secretary has now met with Yorkshire leaders. Discussions are continuing about a different localist approach to devolution, and officials are having initial meetings with councils, including York, and will be interested in hearing their ambitions for devolution.

- 2.9 On 24 July, following discussions - including between West Yorkshire Council Leaders and the then Exchequer Secretary to the Treasury Robert Jenrick MP - One Yorkshire Leaders wrote to the new Prime Minister, Boris Johnson, outlining new devolution proposals (see attached at **Appendix 1**). On 29 July, this letter was published. The proposals contained in the letter include a series of interim devolution deals to be agreed across Yorkshire to run in parallel with the existing SCR agreement. Negotiations would then continue with Government to have a One Yorkshire devolution agreement completed by 2022 and the end of the current SCR Mayor's term. At this point, any SCR authorities wishing to be part of the wider Yorkshire deal would be allowed to do so. The proposals indicate that a One Yorkshire devolution deal could deliver economic benefits worth £30bn a year.
- 2.10 The letter from One Yorkshire Leaders to the Prime Minister highlights that in response to the decision by the Government to turn down previous proposals from 2018, the approach of One Yorkshire leaders has been revised accordingly, so that whilst keeping true to the ambition for a Yorkshire deal, it would secure interim arrangements to allow the benefits of devolution to be felt more immediately. The letter further states that proposals also outline how devolution in Yorkshire is critical to delivering shared objectives, which cross political divides and are about growth in a post-Brexit world. It aligns to the Government's priorities of more investment in much needed transport and full-fibre digital infrastructure; increased inward investment and help for our companies to export; the delivery of more houses to meet the national shortage; speed up the progress we are making in sustainable energy generation and carbon capture; better address the skills shortages in our workforce; and help tackle deprivation within communities.
- 2.11 In one of his first actions as Prime Minister, Boris Johnson delivered a speech in Manchester on 27 July 2019 which included the following statements in support of further devolution:

“Places need power and a sense of responsibility, accountability. Taking back control doesn't just apply to Westminster regaining sovereignty from the EU. It means our cities and counties and towns becoming more self-governing. It means people taking more responsibility for their own communities. London and Manchester have boomed partly because they have had Mayors – some better than others, I would say, but all with the power to speak for their cities, to bang heads together, to get things done. These are the lessons from London and Manchester. Liveability. Connectivity. Culture. And power.”

and

“So we are going to give greater powers to council leaders and to communities. We are going to level up the powers offered to mayors so that more people can benefit from the kind of local government structures seen in London and here in Manchester. We are going to give more communities a greater say over changes to transport, housing, public services and infrastructure that will benefit their areas and drive local growth.”

- 2.12 At his speech at the Convention of the North in Rotherham on 13 September the Prime Minister made the following statements as part of his speech:

“And I know there is real enthusiasm for devolution in Yorkshire and I welcome the establishment of a Yorkshire Committee as a practical step for facilitating greater collaboration on a Yorkshire-wide basis.

In the meantime, we are committed to getting the Sheffield City Region done – and I also want to open up negotiations with Leeds and West Yorkshire so we can make a mayor work there too, whatever the nature of any longer term arrangements in Yorkshire.

- 2.13 On 26 September West Yorkshire Leaders met with Government Ministers to discuss proposals for devolution.

3. Clean Growth Implications

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

4. Inclusive Growth Implications

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

5. Financial Implications

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

6. Legal Implications

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

7. Staffing Implications

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

8. External Consultees

- 8.1 No external consultations have been undertaken.

9. Recommendations

9.1 That the Combined Authority note and discuss the progress made and next steps on devolution to Leeds City Region.

10. Background Documents

None.

11. Appendices

Appendix 1 - Letter from One Yorkshire Leaders and Mayors to Prime Minister

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Rt Hon Boris Johnson
10 Downing Street
London
SW1A 2AA

24 July 2019

Dear Prime Minister

Securing Devolution Across Yorkshire

Many congratulations on your recent election, and we look forward to working with you and your Government to take forward our shared ambitions.

In recent months we have had very constructive talks with Ministers and their officials to secure meaningful devolution in Yorkshire. We hope that your arrival can allow devolution across Yorkshire to become a reality and complete the missing part of the jigsaw in the devolution map in England. The proposal, which provides the opportunity to add £30bn a year to the economy, demonstrates the commitment and cross party support to deliver transformational benefits across the region.

Devolution in Yorkshire is critical to deliver our shared objectives, which cross political divides and are about growth in a post-Brexit world. It aligns to your stated priorities of more investment in desperately needed transport and full fibre digital infrastructure, increase inward investment and help our companies export, deliver more houses to meet the acute shortage across the county, quicken the progress we are making in sustainable energy generation and carbon capture, better address the skills shortages in our workforce, and critically, help tackle deprivation, both urban and rural, wherever it exists in our communities.

Our previous proposal to Government in 2018 was turned down. We have listened to the reasons given for this Government decision, and have revised our approach so that it keeps true to our ambition for a Yorkshire deal, while securing interim arrangements to allow the benefits of devolution for our communities in cities, towns and rural areas to be felt more immediately.

Our proposal is twofold.

- For you to agree to joint work between your Government and ourselves that aims to have a Yorkshire deal in place in 2022. We are asking you to share a joint aim to achieve it, pursue meaningful negotiation and undertake the work necessary to make that a reality. Your agreement to this would, in a stroke, unblock the impasse that has existed between many of our authorities and your predecessor Governments and add up to £30 billion to the regional economy.
- For you to commit to the necessary interim arrangements within each sub region to allow meaningful devolution within Yorkshire between now and

2022. This would allow the Northern Powerhouse to fully realise its potential in the short term and for you therefore to have devolution deals in place across the major metropolitan areas of the north and the vital port and energy infrastructure in the east of the County, ensuring we are well placed to take advantage of the post-Brexit opportunity and ensure that no part of Yorkshire is left behind.

Your commitment would allow:

- The South Yorkshire Deal powers and funding unlocked, in place and used, in interim until the end of the current mayoral term in 2022, when those authorities who wish to do so would become part of the wider Yorkshire deal.
- An interim deal to be done in Leeds City Region (based on a model involving full and associate member councils) commensurate with those in other large metropolitan areas.
- Interim deals to be done across each sub region to maximise the post Brexit opportunity and the impact of the Local Industrial Strategies

We have already worked through much of the detail of these propositions with your officials in the Treasury and in the Ministry of Housing, Communities and Local Growth. We welcome further dialogue with them, and your championing of this devolution proposal is critical to make these plans a reality and make its delivery a priority in those Departments.

We hope that you will consider our proposal favourably, and we would of course welcome the opportunity to discuss these matters with you. It would send the clearest signal of intent to the people of Yorkshire to receive confirmation of your support for our proposal on or before Yorkshire day on 1 August. Together we can unlock the potential for Yorkshire!

Yours sincerely,



Cllr Sir Stephen Houghton
Leader, Barnsley
Metropolitan Borough
Council



Cllr Susan Hinchcliffe
Leader, City of Bradford
Metropolitan District
Council



Cllr Tim Swift MBE
Leader, Calderdale
Council



Cllr Richard Foster
Leader, Craven District
Council



Mayor Ros Jones CBE
Doncaster Council



Cllr Richard Burton
Leader, East Riding of
Yorkshire Council



Cllr Richard Cooper
Leader, Harrogate
Borough Council



Cllr Stephen Brady OBE
Leader, Hull City Council



Cllr Shabir Pandor
Leader, Kirklees Council



Cllr Judith Blake CBE
Leader, Leeds City
Council



Cllr Carl Les
Leader, North Yorkshire
County Council



Cllr Angie Dale
Leader, Richmondshire
District Council



Cllr Keane Duncan
Leader, Ryedale
District Council



Cllr Steve Siddons
Leader, Scarborough
Borough Council



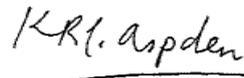
Cllr Mark Crane
Leader, Selby District
Council



Mayor Dan Jarvis MP
Sheffield City Region



Cllr Peter Box CBE
Leader, Wakefield
Council



Cllr Keith Aspden
Leader, City of York
Council

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Report to: West Yorkshire Combined Authority

Date: 10 October 2019

Subject: **Spending Reviews and Local Industrial Strategy**

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 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 For the Combined Authority to agree the City Region’s approach to strategic milestones over the next 12/18 months that will help boost productivity, better connect communities and grow the economy in a clean and inclusive way. Taken together, they build a collaborative approach with Government to realise the City Region’s bold agenda to ‘level-up’ outcomes and investment:
- a) The outcome of the Convention of the North with NP11 about the North’s role in the future of the UK
 - b) Effect of the 2019 Spending Round, the Autumn Budget and devolution discussions (see *item 9*)
 - c) Co-design and agreement of a local industrial strategy with Government, expected in March 2020
 - d) 3 year Spending Review in 2020, a full refresh of the Northern Powerhouse Strategy and approach to the UK Shared Prosperity Fund.

2. Information

Key messages

- 2.1 The Combined Authority and LEP made a submission to the recent Treasury Select Committee inquiry on the causes and effects of regional imbalances in productivity – and their solutions (**Appendix 1**). The key messages are:

- Economies across the North have grown over the last decade, but at a **slower rate** than those in the greater southeast of England, with the productivity gap continuing to widen and diverging living standards.
- Yorkshire has not fared well in respect of **investment in economic development and transport spending** over the last four years. If investment had mirrored the increase in the North West and West Midlands, an additional £815 million would have been invested in Yorkshire. Recent analysis by IPPR North¹ of the future infrastructure investment pipeline of major schemes suggests this is likely to grow, with a growing West-East divide seeing the North West and West Midlands receiving four times the investment of eastern regions like Yorkshire.
- The combined impact (in cash terms) of monetary and fiscal policy correlate strongly with productivity: those wealthier regions with higher productivity have benefited more from recent monetary policy than other regions. Therefore, Government's **fiscal choices should more explicitly take account of the spatial impact of monetary policy** set independently by the Bank of England.
- Government should make an **explicit commitment** to "level-up" the UK economy, and this should be **embedded in HM Treasury's single departmental plan**. This should result in Treasury applying the Green Book differently so spending priorities are less skewed towards already-strong economies, but instead towards where there is the greatest opportunity to address structural economic weaknesses/opportunities in the UK economy.

2.2 These points were at the fore of the LEP Chair's speech to the Convention of the North in his capacity as Chair of the NP11 consortium of Northern local enterprise partnerships. The Convention, held in Rotherham on 13 September and supported by Government, set out to shape and set out the North's vision and priorities. In doing so, it included diverse voices and interests from across the region including the People's Powerhouse, Northern Power Women and young people, and think-tanks such as IPPR North and the Northern Powerhouse Partnership.

Government's priorities and 2019 Spending Round / Autumn Budget

2.3 The Prime Minister has consistently emphasised the new Government's commitment to "**level-up**" both outcomes and devolved powers. This includes a specific commitment for Government to pursue devolution discussions with the Leeds City Region, in addition to strengthening collaboration arrangements across the whole of Yorkshire (see item 9).

2.4 The Chancellor issued an accelerated one year Spending Round on 4 September 2019 which:

- Increased day-to-day spending above inflation for all departments and the new Government's priorities in health, education and policing.

¹ See <https://www.ippr.org/news-and-media/press-releases/revealed-north-set-to-receive-2-389-less-per-person-than-london-on-transport>. Planned public (central and local) and private transport infrastructure spending per capita on future projects - in North West and West Midlands (£2,377) compared to North East, Yorkshire and The Humber and East Midlands (£590).

- Included extra funding to make buses more environmentally friendly, improve rail track maintenance to ensure more reliable journeys and continued support for development of major projects, such as a high speed rail link between Leeds and Manchester (part of Northern Powerhouse Rail).
- Saw places across the City Region including Castleford, Dewsbury, Keighley and Shipley, Todmorden and Morley gain support to progress to the next stages of the Towns Fund and Future High Streets Fund.
- Saw Government confirm that the 75% business rates retention pilot for West and North Yorkshire will not continue into 2021/22 at a projected cost to the constituent authorities of around £29 million. The 100% pilots in mayoral combined authority areas are protected.

2.5 Due to the shortened timescale for the Spending Round, Combined Authority officers engaged with Government officials and set out priorities across transport, energy, economic services, flooding and devolution as previously agreed. For example, this included:

- on **devolution** – the shape of a potential interim deal for the Leeds City Region as a step towards achieving wider Yorkshire devolution in 2022.
- on **transport** – on mass transit, Transpennine Route upgrade, public transport and active travel pipeline, developed in conjunction with the National Infrastructure Commission.
- on **flooding** – a submission of schemes that resulted in £19 million for defences in the Leeds City Region (in Calderdale and Selby).

2.6 The Chancellor is expected to announce his 2019 Autumn Budget in the next few weeks, which will be accompanied by updated forecasts from the Office for Budgetary Responsibility. Among the strategic issues being advocated by the Combined Authority and its partners are:

- **‘Levelling-up’ powers** of mayoral combined authorities and securing an interim devolution deal for the Leeds City Region.
- **‘Levelling-up’ resources** of mayoral combined authorities and ensuring they have sufficient long-term funding to boost productivity and earning power, and see that this benefits the most disadvantaged.
- Ensuring **local authorities are properly funded** to deliver high-quality local services, including social care, and lead prosperous and healthy places.

Agreement of a co-designed local industrial strategy

2.7 In early 2018, the LEP Board and Combined Authority agreed to begin the development of a local industrial strategy (LIS) for the Leeds City Region. Sitting at the heart of a new, long-term strategic economic framework (**Appendix 2**), the LIS will focus on bold steps aimed at boosting productivity and driving both inclusive and clean growth living for a post-2030 economy. Together, the framework and LIS will:

- focus on boosting productivity and earning power in a way that is inclusive and environmentally sustainable, with the City Region becoming carbon neutral by 2038 (and with significant progress by 2030).
- broaden the policy range, addressing a wider range of agendas that affect the quality of life of residents, including culture and health and wellbeing. These will be developed collegiately with communities and young people, local partners and experts across universities, business groups and public authorities.
- provide the foundation upon which the City Region will maximise public and private sector investment, for instance from the future UK Shared Prosperity Fund.
- be agile, hosted on a digital platform that is continually updated with key strategies, evidence and supporting information.
- be clear about the distributional impact of policy choices.

2.8 Much of the power of local industrial strategies comes from their co-design and agreement with Government. While there will not be new direct spending commitments, they offer a channel to discuss and agree those distinct City Region priorities which may guide future public investment funds.

2.9 The LEP Board awayday saw progress on the strategy, including:

- Agreement that **a healthy City Region** will be the central point of local distinctiveness. First, the City Region has strong comparative advantage in growing global markets with frontier health businesses and institutions across the City Region. Second, the City Region has significant opportunity to transform the health outcomes and earning power of some of the most disadvantaged people in local communities by working with communities to improve preventative services and use new health products and services to transform health outcomes.
- Focused on the Grand Challenges of **Artificial Intelligence (AI) and data**, and **an aging society**² where the City Region has exceptional and distinctive assets.

Spending Review 2020, Northern Powerhouse Strategy and Shared Prosperity Fund

2.10 There will now be a full three year spending review in autumn 2020, to run from 2021/2 to 2023/4. It is expected that this will also see the launch of a fully refreshed Northern Powerhouse Strategy to implement some actions discussed at the recent Convention of the North with NP11.

2.11 The UK Shared Prosperity Fund will seek to tackle inequalities between communities by raising productivity, especially in those parts of our country whose economies are furthest behind and replace the current European

² The nationally-set missions associated with these Grand Challenge are:

- **AI and Data:** Transform the prevention, early diagnosis and treatment of chronic diseases by 2030
- **Aging Society:** Ensure that people can enjoy at least 5 extra healthy, independent years of life by 2035, while narrowing the gap between the experience of the richest and poorest

Structural and Investment Funds. Whilst originally expected to commence in January 2021 this may be further delayed especially given ESIF projects will run through to the end of December 2023. Government has committed to consult on the design and structure of the Fund ahead of formal decisions, including the quantum, in the 2020 Spending Review. Roger Marsh, as Chair of the City Region’s ESIF sub-committee, is preparing a note for Government setting out local proposals for the design of the fund based on learning from the current ESIF programme, and we will continue to engage with Government over the coming months.

- 2.12 The Spending Review is also expected to consider a successor to the Local Growth Fund, which has been allocated to LEPs and comes to an end in March 2021. The Combined Authority will work with Government to shape the size, shape and purpose of any successor funding.

Alignment of strategies and compelling investment propositions

- 2.12 Together, the various milestones mentioned above now fall into a logical sequence. As the table below shows, this draws together sharper institutional leadership, emerging strategy and a prioritised pipeline of compelling investment propositions which we are developing, built upon discussions with constituent authorities.

Actions	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
Strategic leadership - getting the right institutional leadership, funding and powers		Agree interim devolution deal in Budget		Continue to influence the shape of the UK Shared Prosperity Fund		LEPs remove overlaps and meet requirement of LEP Review		Local elections Purdah						
LIS and investment pipeline - developing a prioritised, compelling investment proposition relevant to future funding arrangements	Develop Local Industrial Strategy with: * a big and distinctive central concept * prioritise the City Region’s contributions to the Grand Challenges * transformative proposals for the five foundations of productivity (ideas, business environment, people, infrastructure and place).			Negotiate with Government			* Prioritise investment pipeline across the partnership based upon strategy / feedback from Government * Develop Impact framework using distributional analysis to show how productivity / inclusive growth improves living standards for different cohorts. * Bring together future funding regimes (gainshare, UKSPF, public & private investment funds, Towns Fund)							
Agile products - producing compelling investment propositions, targeted at fiscal events	Accelerated Spending Round to prepare for Brexit on 31 October			Discuss with councils specific place priority projects.		Discuss ideas with spending depts. & agencies					Submit to HMT * negotiate, including potentially any additional powers * strategic investment case about why prioritise investment in WY?		<i>Assume 3yr Spending Review (2021/2-2023/4)</i>	

3. Clean Growth Implications

- 3.1 Clean Growth is embedded in our policy propositions, including the local industrial strategy. All of our future transport ambitions have tackling the climate emergency at their heart. We have developed bold propositions on climate change, energy and flooding resilience, in order to enable the City Region to make progress to its goal of being carbon neutral by 2038, with significant progress by 2030.

4. Inclusive Growth Implications

- 4.1 Inclusive Growth is central to the local industrial strategy. Many of the policy propositions being developed have inclusive growth as a central aim.

5. Financial Implications

- 5.1 While there are no direct financial implications arising from this report, it does highlight the implications of the Spending Round and the end of the West and North Yorkshire 75% business rates pool pilot.

6. Legal Implications

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

7. Staffing Implications

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

8. External Consultees

- 7.1 No external consultations have been undertaken.

9. Recommendations

- 9.1 That the Combined Authority notes the successful Convention of the North with NP11 and supported by Government, and its key messages.
- 9.2 That the Combined Authority notes the outcome of the 2019 Spending Round and the proactive steps taken to pursue investments for transport, energy, flooding, digital infrastructure and economic services.
- 9.3 That the Combined Authority endorses the outcome of the LEP Board's awayday.
- 9.4 That the Combined Authority agrees the milestones set out in para 2.12 to use a new local industrial strategy to target the 2020 Spending Review with developing compelling investment propositions.

10. Background Documents

There are no background documents referenced in this report.

11. Appendices

Appendix 1 – City Region submission to the Treasury Select Committee
Appendix 2 – Strategic Economic Framework

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HM Treasury Select Committee inquiry: Regional Imbalances in the UK Economy

A response from the West Yorkshire Combined Authority and Leeds City Region LEP

Summary:

- 1.1 The West Yorkshire Combined Authority and Leeds City Region Enterprise Partnership bring together local councils and businesses to build a strong, successful economy where everyone can build great businesses, careers and lives.
- 1.2 The Combined Authority and LEP are currently investing around £2 billion, working with our partner councils to deliver better transport and housing, regenerate our towns and cities and protect our environment, making sure that what we do meets the needs of communities and helps deliver local priorities.
- 1.3 Our analysis adds further weight to well-established findings:
 - Despite successive Governments seeking to tackle widening inequality, the UK economy has become more spatially imbalanced, with the gap continuing to widen (see UK2070 Commission; 2019).
 - Monetary and fiscal policy choices have, over the medium term and in cash terms, favoured the Greater Southeast (see Bank of England evidence to the Committee's 2017 inquiry into the effectiveness and impact of post-2008 UK monetary policy). This means together wealth and public spending have grown faster in the Greater Southeast compared to other parts of England, and especially Yorkshire and Humber (Fig 1).
 - Since 2010, the Greater Southeast has continued to grow faster than the rest of the UK - and much faster than the North of England. In 2019, towns and cities in the South are still growing faster than their peers in the North, which is unsurprising given the balance of investment.
 - It is noteworthy, for example, that the spatial balance of venture capital investment follows the pattern of public intervention (Fig 2), suggesting Government has targeted marginal market failure, rather than those places that have been left behind the most. In itself, that nurturing of faster growth could have been a legitimate response to the recession caused by the global financial crisis, but we believe the case is now strong to consider afresh the type of market failure Government seeks to target, and its spatial distribution.
 - There is a very strong correlation between the extent to which regions benefit from fiscal and monetary choices and their productivity (Fig 3). The nature of any causal relationship is open to further study and debate.
 - More recently, the North West and West Midlands have received significant increases in public investment in '*economic affairs*' (see Fig.4). Yorkshire's recent increases are the lowest in Great Britain, and this equates to £815 million less spent on economic affairs in the Leeds City Region than

would've been the case if investment had mirrored the trajectory in the North West and London.

- 1.5 We support Government's aspiration to create an economy that works for all by boosting productivity and earning power across the UK. We argue, however, the focus and scale of its strategic approach and priorities need to change in order to realise that ambition. Instead, we call for:
- The UK Government leading, in partnership with devolved governments, LEP groupings and combined authorities, a shared policy position that explicitly prioritises a more cohesive, balanced economy at least on a par with growing the overall size of the UK economy. This would be similar to *Aufbau Öst* - the commitment to a reunified and rebalanced Germany.
 - A more strategic approach to public spending, based upon:
 - Recognition that monetary policy is a blunt tool, but has important spatial impacts. While the UK needs a single monetary policy, set independently by the Bank of England, its impact on wealth and industrial change needs to be factored in to fiscal decisions more clearly.
 - Fiscal policy should continue to prioritise public investment – on digital and transport infrastructure, business growth, skills and health.
 - Reorientate how HM Treasury's Green Book is applied so value for money analysis ascribe a fairer societal value to addressing the most extreme market failures, rather than favouring regions with economies that are already strong and where outputs are more viable (see Fig 5).
 - Further devolution so local political and business leaders are empowered to work together and with local communities to set long-term plans, with the powers and funding to deliver. This is also vital to overcome feelings of disconnection by establishing trusted institutions, accountable to local people.

Part One: Regional imbalances

- a) What are the most significant regional imbalances in the UK i.e. is it the imbalance between London/southeast and other regions; between towns and cities; or between urban and rural areas? How have these imbalances changed in the past decade (and potentially longer) and how are they likely to change in the future?
- b) How do imbalances present themselves in the UK, in terms of growth, wages, employment and other indicators?

- 2.1 The most significant regional imbalances in the UK are between London and the Greater Southeast and other regions – particularly in the North of England.
- 2.2 These rebalances present themselves by:
- **Lower economic inclusion** – the employment rate in the North (73.2%) is lower than the Greater southeast (77.8%). Closing that level of gap in the Leeds City Region would mean an extra 88,600 people in employment.
 - **Lower gross weekly pay for full-time workers**, which at the 20th centile is 14% lower in the North, and that gap widens to 20% at the 80th centile (both compared to the Greater southeast). This links to lower wage levels and pay policy, where 1 in 4 City Region jobs pay below the Living Wage Foundation's living wage whereas in Oxfordshire it's 1 in 6.
 - **Lower skills** – with 34% of working age people in the North qualified to Level 4, compared to 45% in the Greater southeast.
 - **A less productive business base** – Fig 6 shows West Yorkshire has a higher proportion of firms with mid-to-low productivity, limiting their capacity to invest and improve workers' pay and conditions. Further analysis for the City Region's local industrial strategy shows that this is a result of businesses being less productive across all sectors, rather than the sectoral mix.
 - **Greater South East benefitting disproportionately from recent fiscal and monetary policy**, with a strong correlation with higher productivity.
 - **Inward investment patterns skewed to stronger economies** - and those that benefit disproportionately from public decisions - raising questions about additionality and the nature of market failure/opportunity.
 - The **City Region's productivity is more than 30% lower than its comparator regions** in Northern Europe (Fig 7, inc. Stockholm, Lyon and Hannover). European regions with productivity levels most similar to the City Region are Chemnitz in Eastern Germany and the southern European regions of Umbria (Italy), Attiki (Greece), Castilla La Mancha and Andalucia (Spain).
- 2.3 Overwhelmingly, evidence shows these disparities are projected to widen; we are not aware of any credible analysis that shows the UK's less-productive regions growing at a faster rate than more productive regions over the long-term. For example, the UK2070 Commission cites research by Prof. Philip

McCann on the 'business as usual' scenario which projects future jobs growth will continue to be concentrated in the South (Fig. 8).

2.4 It is also important to recognise imbalances within regions, and even within towns and cities in those regions - which are address below on para e).

c) What are the main drawbacks of having significant regional imbalances?

3.1 There are several drawbacks from significant regional imbalances, including:

- Large sections of the country will not achieve their potential, and therefore neither will the UK economy.
- Growing feelings of discontent and large parts of the country feeling 'left behind'. This covers both lower-productive regions (who feel their full potential is not being unleashed) and high-productive regions (some of whom feel they do not see the full benefits of their activity).
- Public revenues generated by more prosperous regions are unlikely to keep pace with the needs of the whole country, as the gap in wealth continues to widen. This will result either in public finances deteriorating (as more borrowing is required to meet need) or further public spending cuts, which would be unacceptable and further exacerbate the existing imbalances.

3.2 It is worth noting, however, that there are rational reasons why this position has developed. HM Treasury objectives (see box) include driving structural reforms to increase employment and productivity across the UK, as well as placing public finances on a sustainable footing.

The Single Departmental Plan does not, however, provide any clear reflection about how the issue of regional imbalances, or distinct regional challenges and opportunities, will be addressed.

Instead, the emphasis is on spending controls to assure value for money and meet Government's fiscal rules to achieve a balanced budget by the middle of the 2020s. In practice, therefore, use of spending

prioritisation mechanisms (e.g. Green Book) are skewed towards economies that are already stronger, and therefore where more outputs can be delivered, and voices like Lord Heseltine call for reform (fig. 5).

3.3 The result is that the balance of public investment (as distinct from consumption spending) is in regions with stronger economies. This is compounded by those

HM Treasury - Our objectives

The department's strategic objectives are to:

1. Place the public finances on a sustainable footing, ensuring value for money and improved outcomes in public services
2. Ensure the stability of the macro-economic environment and financial system, enabling strong, sustainable and balanced growth as we leave the EU
3. Increase employment and productivity, ensuring strong growth and competitiveness across all regions of the UK, through a comprehensive package of structural reforms, taking advantage of the opportunities provided by leaving the EU
4. Build a great Treasury, by creating a more open, inclusive and diverse department, underpinned by professionalism, skills and management excellence

regions also enjoying the highest levels of inward investment. While we absolutely do not want to constrain the ability of more prosperous UK regions to secure inward investment, it does raise questions about the type and degree of market failure that is subject to public investment. That is to say there is a strong case for Government to consider concentrating investment in localities with the greatest structural economic disadvantage.

d) To what extent can regional imbalances explain the UK's poor productivity performance?

- 4.1 We believe regional imbalances are both the cause and effect of the UK's poor productivity performance. Therefore, addressing them is the answer to the UK's productivity puzzle.
- 4.2 Analysis of Bank of England and HM Treasury data by the Combined Authority shows a very strong correlation ($R=0.828$) between regional labour productivity and the degree to which monetary and fiscal policy has uplifted wealth and public spending in an area (fig 3). Indeed, when this analysis is restricted to England's nine regions (to negate the impact of the Barnett formula), the correlation is even stronger ($R=0.932$), although clearly care needs to be taken in drawing lessons about the nature of any causal relationship from the strong correlation.

e) What is the interaction between regional and income inequality? Is there greater inequality within regions or between regions?

- 5.1 There is a reasonably strong interaction between regional and income inequality and it is helpful to understand how this has developed over the medium-term and its implications for public spending.
- 5.2 In the late 1990s and 2000s, income growth in households with lower levels of income was more strongly driven by increasing welfare benefits. In the 2010s, that trend reversed as a result of austerity, widening regional imbalances. The sustainable answer, therefore, must be a private sector, wage-led answer to closing the low-income gap, combined with a more inclusive labour market.
- 5.3 In order to achieve that:
- Local authorities and businesses must work in partnership and across functional economic areas to identify and tackle local challenges and opportunities to boost productivity in a way so everyone contributes to, and benefits from, that growth.
 - In order to do so, partners need more powers and funding.
 - As a result, decisions will be taken closer to communities, who will have a stronger say, and will hold those decision-makers to account, building trust.

f) What lessons can be learnt from the success or otherwise of programs designed to promote regional economic growth so far? What are the future interventions that the UK should consider?

- 6.1 The success of programmes to promote regional economic growth can be interpreted in several ways:
- Short-run outputs, including new jobs or houses
 - Medium-term outcomes, including higher employment rates and beginning to narrow economic imbalances across the UK.
 - Longer-run societal change, including rejuvenating places with deep-seated structural economic disadvantage and stimulating hope and ambition in disconnected communities.
- 6.2 When considering future direction, we would urge Government to consider the findings of the Institute for Government’s ‘All Change’ study¹, which sets out some of the challenges faced in securing an enduring strategy for regional governance, and which says that *“the current process of devolution to a city-regional tier must be given the stability it needs to develop and perform effectively”*.

g) How effective have regional bodies, for example combined authorities, cities, Local Enterprise Partnerships, been in promoting strong growth across all areas of the UK?

- 7.1 Combined Authorities and local enterprise partnerships serve a vital purpose – bringing together public and private leaders across a functional economic area to set a long-term plan for growth.
- 7.2 We would argue that on short-run outputs, LEPs and Combined Authorities have performed well. However, they need more tools (e.g. greater funding and powers) and long-term institutional certainty to make a significant and measurable impact on longer-run change.

h) To what extent can devolution of funding to regional bodies promote growth and reduce regional disparities?

- 8.1 Our analysis indicates that a potential answer to the last four decades of economic divergence is to increase investment in regions like Yorkshire. In doing so, decision-making should be devolved to fully involve businesses and be accountable to local communities.
- 8.2 We would also highlight the impact of Government’s Fair Funding Review for local government spending as an important manifestation of its priorities.

¹https://www.instituteforgovernment.org.uk/sites/default/files/publications/IfG_All_change_report_FINAL.pdf

Part 2: Regional economic data and forecasts

i) What is the quality of regional economic data such as economic growth/ income/public spending per capita/investment levels currently available in the UK and how does its quality and coverage differ from economic data available at the national level?

9.1 Whilst there has been improvements in the level and quality of information available at regional and sub-regional level in recent years, there remain substantial differences between national, regional and sub-regional data. Whilst regional labour market data is published alongside national data for example, there is a time lag of around 4 months to get equivalent data at a sub-regional level, and this data still lacks the depth of regional data. On economic growth and income – key measures of prosperity and vitality – most data is only available sub-nationally on an annual basis, which presents acute challenges in understanding how local economies are performing.

j) Which regional economic data should the Government focus on e.g. is it GDP growth, or for regions, is unemployment data and other indicators that measure well-being more relevant?

10.1 All of this is important – particularly as a large focus for regional and sub-regional policymakers is understanding the spatial impact of changes in the economy. Whilst local output growth is important to closing the disparities in economic performance between regions and therefore crucial to measure, locally there is also more focus on understanding how people from different groups and communities can benefit from the opportunities this growth offers. In order to do this, more granular socio-demographic information is required. This is particularly true for areas with or seeking devolution deals in order to inform the development of interventions

k) Should regional economic data currently produced by the ONS be given a higher profile e.g. should GVA growth be routinely published in documents such as the Government's *Budget* and *Spring Statement* and the OBR's *Economic and Fiscal Outlook*?

11.1 Given much of the domestic policy debate is focused on left behind places and regional disparities, then an overt and proactive consideration of how government policy is impacting regions and/or is forecast to do so should be very much encouraged and could help to ensure that such issues are actively considered in the policy making process.

l) The ONS produces regional statistics at different levels: regions/City regions/Combined local authorities/local authorities and sectors. How useful is it to produce statistics at all these levels?

- 12.1 All of these are useful and used locally. Whilst it is appreciated that producing data for a wide range of geographies is more resource intensive for ONS, the more granular the data available the better so as to understand how issues manifest themselves at a local level. For an area as large as Leeds City Region for example, the economic strengths, weaknesses and challenges are quite different between and within the area, and more local data enables us to draw out this more nuanced picture. Recently, ONS have been looking at moving to a more “bottom up” approach to producing sub-regional data, and this would have the advantage of enabling analysis at more flexible, smaller geographies. However, this needs to be balanced with a need for timely regional data to understand key economic and labour market trends.

m) What are the main gaps in regional data for users?

- 13.1 Regional output (GVA/GDP) data on a quarterly basis would be a substantial improvement for regional analysts and policy makers. At present, an annual GVA release means that understanding what is happening in local economies is challenging and largely reliant on survey data, which can be of varying quality and costly. Whilst labour market data is available quarterly at the sub-regional level, there is a substantial time lag – data is released approximately four months after the quarter ends, affecting policymakers’ ability to respond.
- 13.2 Trade data is also an area of weakness – understanding intra-regional trade would enable a more granular understanding of how regional economies function. Linked to this, an understanding of prices and inflation at regional level would inform a better understanding of the relative strength and competitiveness of UK regions. Sub-regional international trade data is also very weak which limits places’ ability to understand their key international trading relationships and, consequently, the risks and opportunities.

n) Should there be official regional economic forecasts produced for output growth and other economic indicators such as unemployment?

- 14.1 Locally we have the Regional Econometric Model, produced by Experian for Yorkshire & Humber for over 20 years. As such, we recognise the value that such models and forecasts can bring – the model is applied in a range of scenarios including business case development, local plans, policy impact analysis and more. Given the functionality of the model developed over the years, it is unlikely that centrally produced regional economic forecasts could replace this, but they would still have value in providing consistent forecasts that have some form of recognition or endorsement from HM Government. This would undoubtedly be valuable in informing matters such as local plans, but it is likely that private forecasters will still need to be employed to provide both depth and an understanding of how different growth scenarios as a result of local policy changes could manifest themselves.

Appendix – supporting figures and graphs

*Fig 1 – Annual impact of fiscal and monetary policy choices
(Sources: Bank of England and HM Treasury)*



*Fig 2 – Venture capital investment (£millions), 2017
Source: (British Venture Capital Association)*

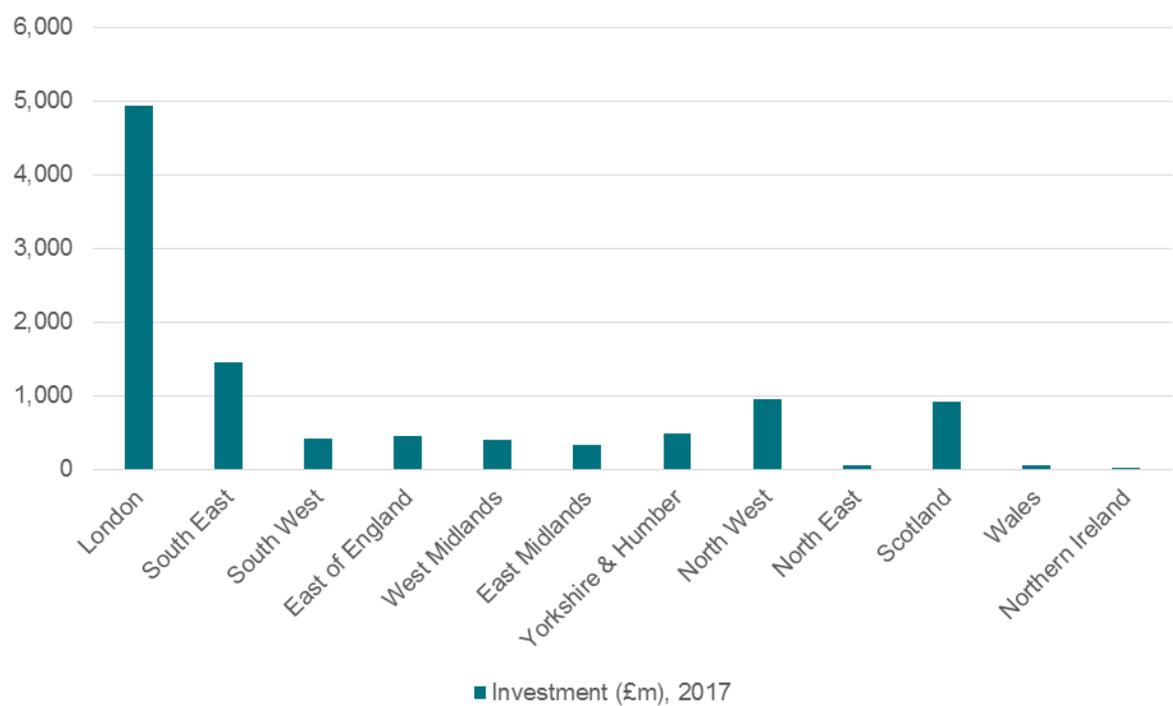


Fig 3 – Correlation between regional productivity and public investment
 (Source: WYCA analysis of Bank of England, HM Treasury and ONS data)

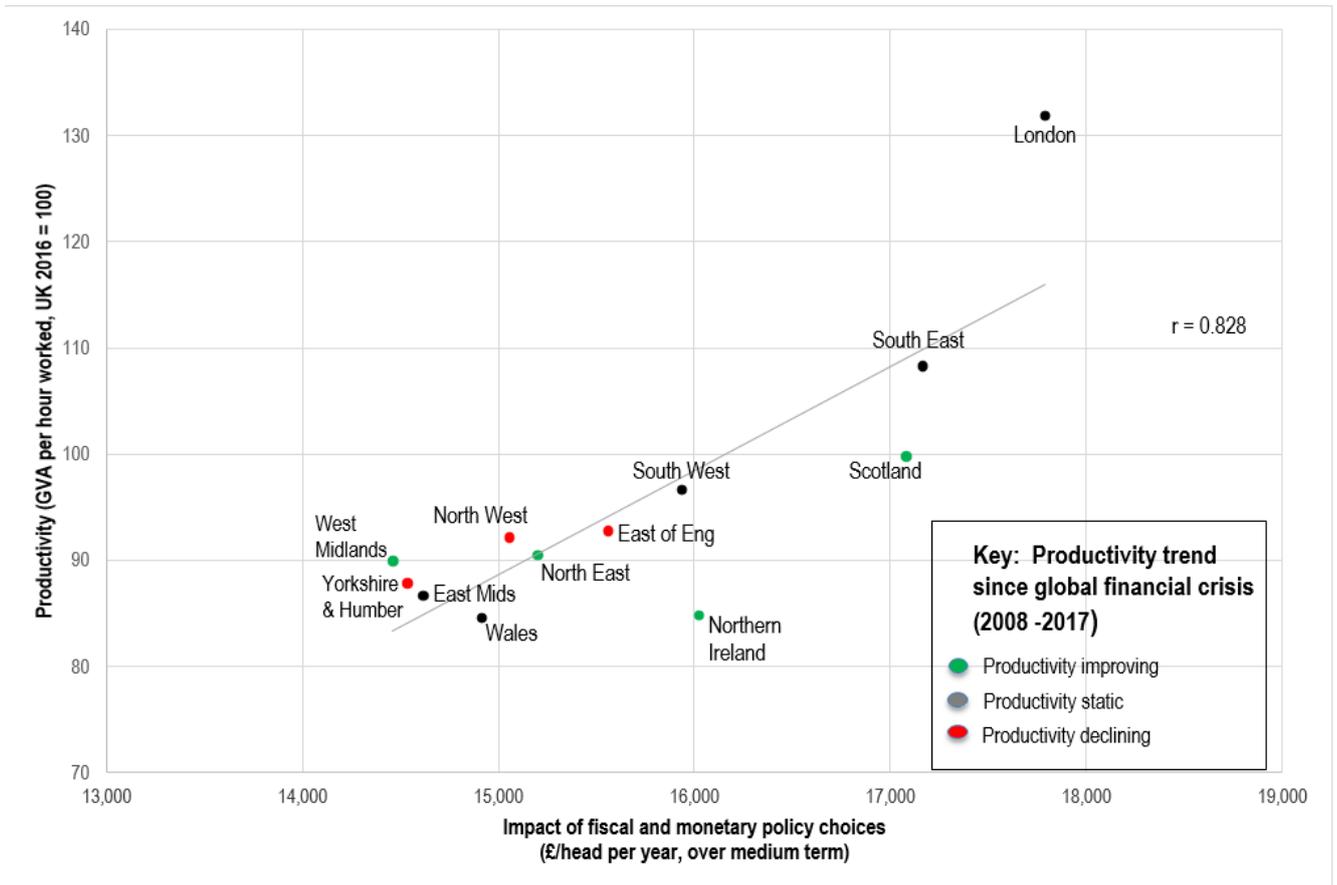


Fig 4a – Public spending on ‘economic affairs’ by nation/region
 (Source: Country and regional analysis 2018; HM Treasury)

UK region	2017/18 spending per head (£)	Change in spending/head - 2013/14 to 2017/18 (%)
South East	720	54.5%
North West	764	49.5%
London	1,300	47.4%
West Midlands	650	39.8%
South West	630	39.1%
East	683	38.0%
East Midlands	550	18.3%
Scotland	1,217	16.3%
North East	616	11.0%
Wales	846	8.7%
Yorkshire and The Humber	568	0.4%
Northern Ireland	848	-5.8%

*Fig 4b – Public spending on selected ‘economic affairs’ by nation/region
(Source: Country and regional analysis 2018; HM Treasury)*

Enterprise and economic development			Transport		
UK region	2017/18 spending per head (£)	Change in spending/head - 2013/14 to 2017/18 (%)	UK region	2017/18 spending per head (£)	Change in spending/head - 2013/14 to 2017/18 (%)
South East	203	232.8%	North West	528	112.0%
South West	134	116.1%	West Midlands	412	93.4%
East	99	94.1%	East	402	68.9%
London	161	80.9%	South West	290	62.9%
East Midlands	116	73.1%	London	1,019	56.3%
Scotland	231	22.2%	North East	320	51.7%
Northern Ireland	202	18.8%	South East	370	49.2%
West Midlands	75	-3.8%	Wales	410	23.5%
North West	86	-5.5%	Scotland	667	22.8%
Wales	162	-6.9%	East Midlands	245	22.5%
North East	91	-24.2%	Yorkshire and The Humber	315	11.3%
Yorkshire and The Humber	61	-26.5%	Northern Ireland	297	3.5%

Fig 5 – Proposal by Lord Heseltine

16. **There is one economic judgement that must be reappraised. Orthodox Treasury thinking tests capital projects against a rate of return on investment. Such a philosophy will allocate resources to high growth areas and build on success. Therein lies the problem of the left-behind. If we are serious about rebalancing, then we have to be serious about the role of the public sector in facilitating this. There is an element of risk and an element of faith. I had no idea what the consequences would be when I created development corporations in the East End of London and on Merseyside. In rebuilding great areas of our country and restoring faith in millions of our citizens, we have to rebalance our economic priorities. The calculations cannot just be measured in crude economic terms. The Treasury, working with economists, businesses and conurbations, should devise a more balanced method for judging investment decisions in our cities. They 63 should draw on international experience. The power of competition, match funding and gearing should be harnessed to achieve the best value for money for the taxpayer.**

Lord Heseltine, Empowering English Cities (2019)

Fig 6 – Distribution of businesses by labour productivity
 (Source: ONS)

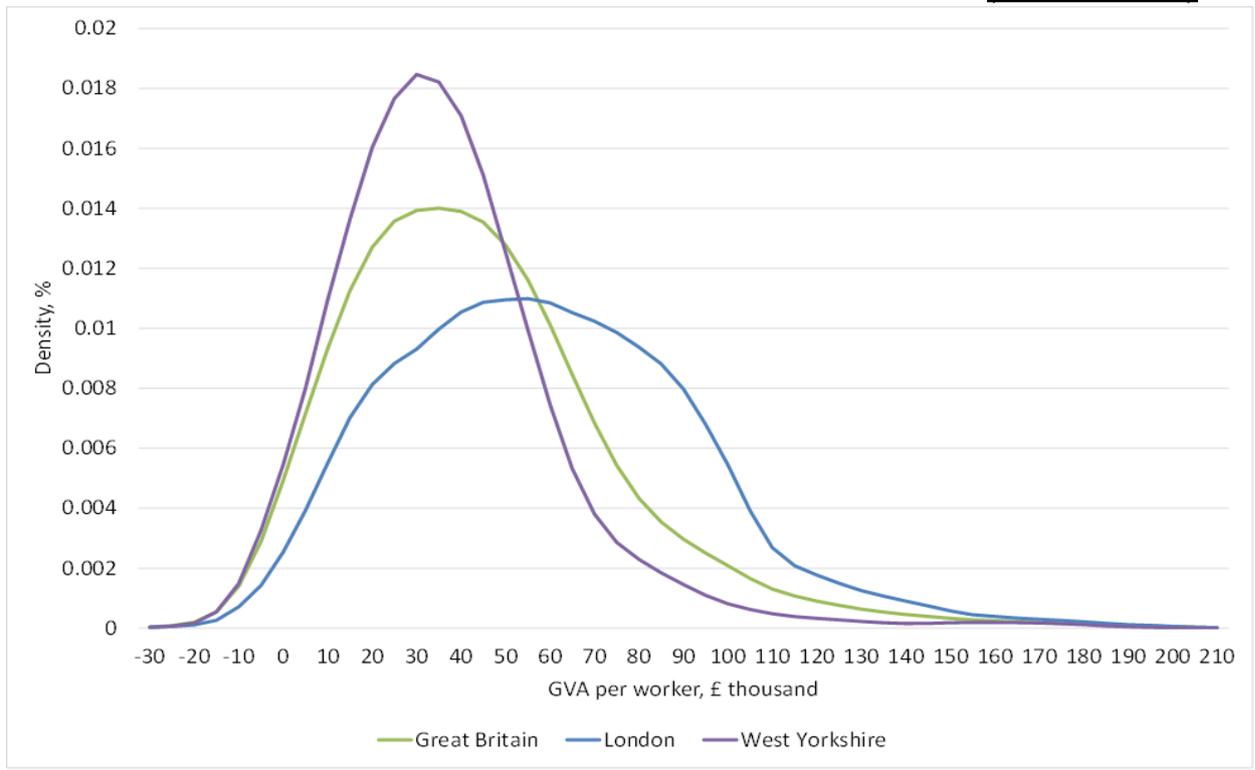
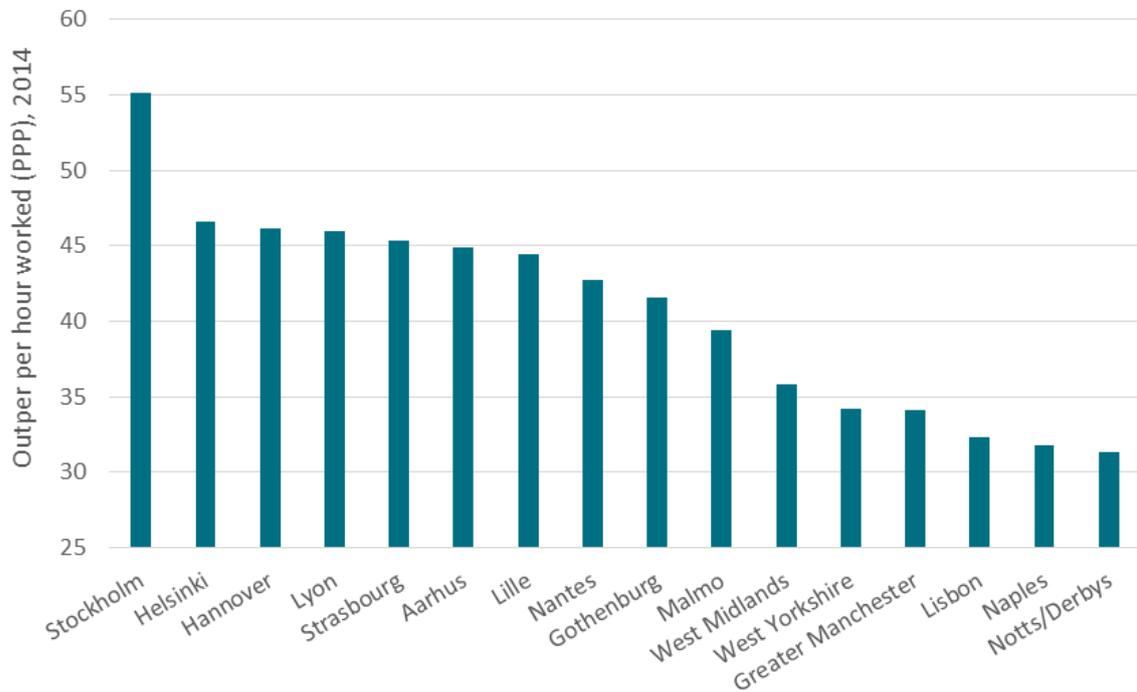
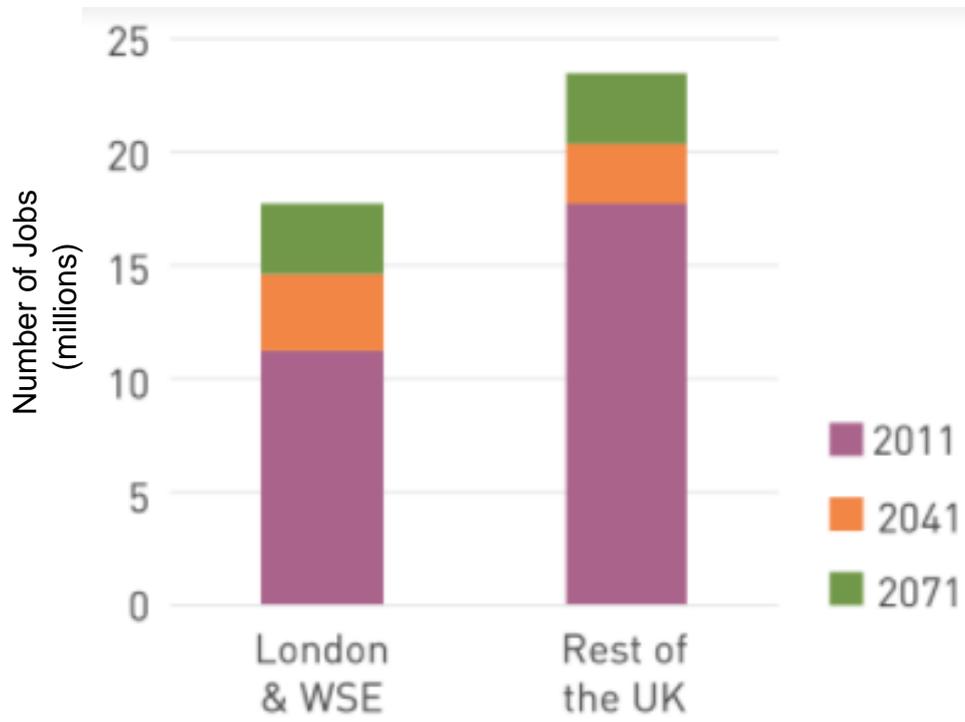


Fig 7 – Productivity across the Leeds City Region comparator European regions
 (Source: Eurostat, 2018)



*Fig 8 – ‘Business as Usual’ scenario impact on number of jobs by region to 2071 (millions)
(Source: Prof Philip McCann in UK2070 Commission; 2019)*



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LEEDS CITY REGION STRATEGIC ECONOMIC FRAMEWORK

VISION

"TO BE A GLOBALLY RECOGNISED, THRIVING AND HAPPY CITY REGION WITH TALENTED PEOPLE, SUPERB ENVIRONMENT AND CLEAN, INTEGRATED TRANSPORT"

INTEGRATED POLICY FRAMEWORK TO ADDRESS THESE PRIORITIES
(COVERING POWERS & FUNDING)

BUSINESS, IDEAS & WORKFORCE

GROWING & PRODUCTIVE ECONOMY
(Science & innovation, R&D, enterprise, digital, trade and investment)

EDUCATION & SKILLS
(Skills, opportunity, progression, young people, education)

HEALTHY & INCLUSIVE WORKFORCE
(Good work, welfare, health & Wellbeing)

LOCAL INDUSTRIAL STRATEGY

DEVELOPING BIG IDEAS TO:

1. BOOST PRODUCTIVITY, EARNING POWER & INCLUSIVE GROWTH
2. CONTRIBUTE TO NATIONAL PRIORITIES & GRAND CHALLENGES

COMMUNITIES & INFRASTRUCTURE

TRANSPORT, CONNECTIVITY & MOBILITY
(21st century transport)

STRATEGIC HOUSING & EMPLOYMENT SITES
(Affordable housing, stronger communities)

ENERGY, CLEAN GROWTH & THE ENVIRONMENT
(Green & sustainable city region)

QUALITY OF LIFE
(High quality culture and citizen experience)

PARTNER PLANS & STRATEGIES

INCLUSIVE GROWTH

IMPROVING PRODUCTIVITY

CARBON REDUCTION

PLACE LEADERSHIP

INTEGRATED INVESTMENT

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Report to: West Yorkshire Combined Authority

Date: 10 October 2019

Subject: **Future Bus Options**

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

Author(s): Helen Ellerton

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 recommend that the Combined Authority explores options arising from the sale of First West Yorkshire including, but not limited to, potentially participating in the sale.
- 1.2. To recommend that the Combined Authority approves spending of up to £200,000 on legal and consultancy support to assist with the development of options for future bus services in West Yorkshire.
- 1.3. To recommend that the Combined Authority delegates the Managing Director of the Combined Authority, in consultation with the Chair of the Combined Authority, to engage with the process of the sale of First West Yorkshire Ltd referring any significant decisions arising from this to the Combined Authority.

2. Information

Background

- 2.1. On 29 May First Group PLC made an announcement to shareholders that it is “pursuing structural alternatives to separate our First Bus operations from the

Group” as part of a process of re-structuring the company. Deutsche Bahn have also indicated its intentions to dispose of its Arriva business in the UK.

- 2.2. Protecting, developing and improving the bus network for West Yorkshire residents is an overriding key objective of the Combined Authority. The West Yorkshire Bus Strategy 2040 sets out the vision, objectives and bus policies for the Region¹. It sets out the target to grow bus patronage by 25% in the decade up to 2027. A reliable, affordable bus network is essential to enable people to access education and employment opportunities. It is central to our key objectives of driving inclusive growth and tackling the climate emergency.
- 2.3. Journeys on First West Yorkshire buses constitute 70% of all the bus journeys in West Yorkshire, a further 18% are taken on Arriva services. The outcome of the change in ownership of these companies is of major significance to how people get around the region.
- 2.4. It is therefore recommended that the Combined Authority explores options to actively respond to this situation and considers options available to invest to secure the continuity and growth of bus services in West Yorkshire. It is understood that the sale of First West Yorkshire and the other First bus operating companies will be undertaken through an open process. There is therefore a potential opportunity to engage in the process.
- 2.5. In order to develop those options and to identify if and how the Combined Authority might engage in the sale process; technical and legal support is required. This support will assist the Combined Authority in ensuring all options are initially explored. This includes understanding how the statutory provisions set out in the Bus Services Act 2017, and the potential opportunity presented by the sale of First West Yorkshire, could support the Combined Authority’s objectives.
- 2.6. Anticipating the Combined Authority’s need, technical and legal support has been procured, in order to
 - Assess the options available.
 - Understand the legal implications of possible next steps
 - Develop a value for money case for investment in bus operations
 - Undertake market due diligence.
- 2.7. Whilst the brief for this technical support has been developed in response to the particular circumstances of the sale of the bus companies, the work will inform ongoing consideration of how the Combined Authority might influence the provision of the region’s bus services.
- 2.8. It is clear that the Combined Authority should only embark on any model if that furthers the overall bus strategy aims to increase patronage and through that secure the wider goals of inclusivity and carbon reduction. Protecting the bus network for West Yorkshire residents is an overriding key objective.

¹ <https://www.westyorks-ca.gov.uk/improving-transport/bus-strategy/>

- 2.9. On the 5th July the Voluntary Partnership Agreement for the West Yorkshire Bus Alliance was approved for signing by the Transport Committee. The legal agreement contains a number of commitments for the West Yorkshire Combined Authority, West Yorkshire Councils and the West Yorkshire Bus Operators to contribute to delivery of the bus strategy adopted by the Authority in 2017.
- 2.10. The success of the Alliance is an important first step to improving the bus offer for customers. Delivering a successful partnership is an important step to demonstrate that the Combined Authority and the bus operators of West Yorkshire can together deliver a successful bus network.

3. Clean Growth Implications

- 3.1 Maximising the bus network will encourage modal shift towards public transport, reducing the impact of transport on the environment and contributing towards the regional carbon reduction target.

4. Inclusive Growth Implications

- 4.1 The bus is vitally important to ensure accessibility for employment and training opportunities. Protecting the bus network for West Yorkshire residents is an overriding key objective in order to support inclusive growth.

5. Financial Implications

- 5.1 This report is recommending that the Combined Authority approves spending of up to £200,000 in 2019 on technical and legal advice to support the development of bus options. Commitment to any further expenditure would be subject to further approvals and the potential need to do so will be considered as part of business planning and budgeting for 2020/21.

6. Legal Implications

- 6.1 There are no legal implications directly arising from this report. However, any decision on a next step will have a legal implication for the Combined Authority.

7. Staffing Implications

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

8. External Consultees

- 8.1 No external consultations have been undertaken.

9. Recommendations

- 9.1 That the Combined Authority explores options arising from the sale of First West Yorkshire, including but not limited to potentially participating in the sale.
- 9.2 That the Combined Authority approves spending of up to £200,000 on legal and consultancy support to assist with the development of options for future bus services in West Yorkshire.
- 9.3 That the Combined Authority delegates the Managing Director of the Combined Authority, in consultation with the Chair of the Combined Authority, to engage with the process of the sale of First West Yorkshire Ltd referring any significant decisions arising from this to the Combined Authority.

10. Background Documents

- 10.1 None

11. Appendices

- 11.1 None



Report to: West Yorkshire Combined Authority

Date: 10 October 2019

Subject: **Future approach to business finance**

Director: Alan Reiss, Director Policy, Strategy & Communications

Author(s): Alex Clarke

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

1. Purpose of this report

- 1.1 To update the Combined Authority on work in relation to business finance, in particular on future plans for grants and loans.

2. Information

- 2.1 The Combined Authority and Leeds City Region Enterprise Partnership (the LEP) are currently engaged in work on developing options for a new loan fund that responds to current market needs. A number of ideas for future business finance products for the LEP, were approved by the LEP Board in March. This item also builds on previous conversations on this work at the Business Investment Panel of the LEP and the Investment Committee in September.

- 2.2 Further information on this is included in **Exempt Appendix 1**.

3. Clean Growth Implications

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

4. Inclusive Growth Implications

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

5. Financial Implications

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

6. Legal Implications

6.1 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 appendix as exempt outweighs the public interest in disclosing the information as publication could prejudice current and future decision making.

7. Staffing Implications

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

8. External Consultees

7.1 No external consultations have been undertaken.

9. Recommendations

9.1 That the Combined Authority notes the report provided in **Exempt Appendix 1** on the future approach to business finance and gives feedback on the outputs of the first phase of work and input into the second phase.

10. Background Documents

There are no background documents referenced in this report.

11. Appendices

Exempt Appendix 1 – business finance.

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Report to: West Yorkshire Combined Authority

Date: 10 October 2019

Subject: **Corporate planning and performance**

Director: Angela Taylor, Director, Corporate Services

Author(s): Louise Porter and Jon Sheard

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

1. Purpose of this report

- 1.1 To note the current position on corporate performance including progress against corporate plan priorities, risk management and budget position and seek comment on these matters.
- 1.2 To note the work underway on the business plan and budgeting for 2020/21 and seek comment on these matters.

2. Information

Corporate Plan 2019/20

- 2.1 The 2019/20 Corporate Plan sets out the vision and objectives for the organisation and the practical steps for how these will be progressed during the year. The plan is structured around the four overarching strategic objectives of boosting productivity, enabling inclusive growth, delivering 21st Century transport and supporting clean growth.
- 2.2 A comprehensive suite of performance indicators has been developed to measure the organisation's specific contribution towards achieving the overarching Corporate Plan priorities. An assessment of progress against

these indicators for the 2019/20 year to date is provided in **Appendix 1** as part of the wider corporate performance snapshot.

- 2.3 The analysis of performance against KPI's to date reflects a positive position. The majority of the KPIs are green, indicating objectives supporting the strategic aims and themes for the region are on track to being achieved.

Corporate risk update

- 2.4 In line with the provisions of the corporate risk management strategy, regular review of the key strategic risks affecting the organisation continues to be undertaken and the corporate risk register updated accordingly. A summary of the headline strategic risks currently contained within the corporate risk register is provided at **Appendix 1**.

- 2.5 Updates to the corporate risk register since the last meeting of the Combined Authority are summarised below:

- It was recommended by the Head of HR that risk HR1 (Failure to have in place the capacity, skills and resource needed to deliver increased workload), has reduced in both probability and impact, due to mitigating actions. This was agreed during the last corporate risk register review at the Senior Management Meeting. Due to this now reducing to a 'medium' risk rating this is not therefore shown in the summary of 'very high' and 'high' risks summarised at Appendix 1.
- It was recommended that the risk F2 have its impact increased from 'Moderate' to 'Major Disruption'. In addition, due to the risk's cross-cutting impact the Director of Policy, Strategy and Communications has been included as an additional Risk Owner. The overall risk rating remains unchanged at 'High'.
- Due to the increasing uncertainty surrounding the UK's future relationship with the EU, it was recommended that the risk SP4 be superseded by risk SP5 to more accurately capture the range and scale of risks faced. Substantial mitigation coordinated by the organisation's Brexit working group has been introduced, however the risk remains 'Very High' due to the level and range of uncertainty, which falls outside of the Combined Authority's control.

- 2.6 As outlined at agenda item 8, the Combined Authority is currently undertaking a significant amount of work to tackle the climate emergency and to promote clean growth. The specific implications of this work with regard to risk exposure are currently under consideration and will be reflected in future updates to the corporate risk register as appropriate.

- 2.7 Work is currently being undertaken by the Internal Audit team to examine the implementation and effectiveness of the Corporate Risk Strategy across the organisation. Recommendations from this report will be incorporated into a scheduled refresh of the Corporate Risk Management Strategy.

Revenue budget position

2019/20

- 2.8 A summary of the 2019/20 current spend to budget as at August 2019 is attached at **Appendix 2**. A RAG rating has been included to identify budgets that need further review. There are no 'red' areas of concern to report.
- 2.9 The approved annual budget included a £1.2m deficit to be funded from general reserves. Periodic forecasting is being undertaken during the year to track performance against this budgeted position and a revised outturn will be formally reported as part of the budget proposals in December. At this stage work to achieve the agreed savings and reductions continues, alongside managing emerging pressures including Brexit and work on bus options following the announcement of the proposed sale of First Group's bus operations.

Business planning and budget 2020/21

- 2.10 Work is continuing on the detailed business plan for 2020/21 and the accompanying budget, to be set within the context of a revised medium term financial strategy. The Budget Working Group has met to consider the issues and Overview and Scrutiny Committee considered a paper at its meeting on 13 September. Information is also being shared with the West Yorkshire Directors of Finance.
- 2.11 Each directorate is producing both a detailed business plan and a summarised 'plan on a page' showing how it will deliver against the four corporate priorities in the coming year. The budget will then show the costs of delivering these activities.
- 2.12 The first full budget update has been submitted from each directorate, setting out any updates to the current year position and providing a detailed 2020/21 position. These submissions show some savings against budget in the current year but, as set out in the last update of the three year strategy, there is still a budget gap of over £1 million to address if the 2020/21 budget is to be set without the use of reserves. Work on options to address this gap is underway and will be brought forward for consideration.
- 2.13 In addition there are further budget pressures that will need to be managed alongside this funding gap. Actions to meet the commitment in the three year strategy to make further savings on bus tendered services and transport services in 2020/21 need to be progressed, alongside the identification of funding for activities to address climate change and improve inclusive growth. The work on bus options as set out in agenda item 11 may require further funding next year, and the issue of 'cliff edge funding' ie short term funding that is time limited also requires consideration. Other funding risks identified include changes to the assumptions relating to pay awards and to the outcome of the triennial pension revaluation due next year.

- 2.14 Work continues on the capital budgets, with a particular focus on the challenges of achieving expenditure on key programmes – Leeds Public Transport Investment Programme and Growth Deal, both of which are due to spend in full by March 2021. The programmes are being reviewed to ensure all funding is maximised, any risks of not delivering by this date are mitigated and to understand the risks around the timing of individual projects which may result in commitments beyond the funding availability. A three year capital programme and any projected borrowing costs will be included as part of the budget process.
- 2.15 A full draft revenue and capital budget will be provided to the meeting of 12 December, along with the updated reserves strategy.

3. Clean Growth Implications

- 3.1 The proposed business plan and budget for 2020/21 will include actions and costs related to delivering against the corporate priority of clean growth.

4. Inclusive Growth Implications

- 4.1 The 2019/20 corporate plan sets out further details regarding the organisation's approach to enabling inclusive growth.

5. Financial Implications

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

6. Legal Implications

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

7. Staffing Implications

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

8. External Consultees

- 8.1 No external consultations have been undertaken.

9. Recommendations

- 9.1 That the Combined Authority notes and provides comment on the information on corporate performance.
- 9.2 That the Combined Authority notes and provides comment on the budget work underway.

10. Background Documents

- 10.1 None.

11. Appendices

Appendix 1 – Corporate Performance Snapshot Report
Appendix 2 – Budget monitoring 2019/20

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Corporate Risk Update

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					

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Current 'Very High' risks:

		Probability	Impact	Mitigation summary	Movement since last report
Very High x4	Failure to secure enhanced funding and devolved powers (F1)	Possible	Highly significant	Devolution discussions continuing	No Change
	Failure to deliver Growth Deal/other capital funding programmes within timescales/ costs (SD2)	Possible	Highly significant	Significant controls in place through PMO	No Change
	Major unanticipated change in national policy resulting in failure to meet organisation/organisational objectives (SP3)	Possible	Highly significant	Ongoing dialogue with Government. Monitoring of national policy trends	No Change
	Inherent Brexit uncertainty presents a number of potential challenges to the region and the services the CA provides (SP5)	Possible	Highly significant	Working group established to coordinate effective response	Supersedes risk SP4

Current 'High' risks:

		Probability	Impact	Mitigation summary	Movement since last report
	Failure to have the supporting infrastructure and processes in place to deliver against corporate priorities (SD3)	Possible	Major disruption	Transformation programme & corporate technology programme in place and addressing this	No Change
	Failure to secure sufficient and continued funding for key services (F2)	Possible	Major Disruption	Ongoing review of funding opportunities/bids. Budget monitoring	Increased Impact but remains 'high'
	Failure to successfully communicate the outputs and contribution of the CA and LEP to the Leeds City Region (PC5)	Possible	Moderate	Continued development of communications strategy and effective performance measures	No Change
	Failure to deliver appropriate working arrangements with District partners (PC1)	Unlikely	Major disruption	Continuing to strengthen key partnerships	No Change
	Risk of legal proceedings/financial penalty of not being compliant with GDPR (R2)	Possible	Moderate	Information asset register/data policies continually reviewed	No Change
	Risk that national terrorism threat level is raised to 'imminent' resulting in unanticipated operational changes/costs (SP2)	Possible	Major Disruption	Continued review of national trends/ Incident management training ongoing	No Change
	Risk of legal challenge as a result of not being compliant with HR, Financial, procurement and Governance Legislation (R1)	Possible	Moderate	Policies/procedures in place and subject to ongoing review	No Change
	Financial failure of a major contractor/supplier to the CA or a recipient of funding from the CA (F3)	Possible	Moderate	Contract management, regular financial checks and escalation processes	No Change
	Risk of Major incident at CA facility, accident /injury to vulnerable person(s) (SS1)	Unlikely	Highly significant	Policies/procedures/training in place and continually reviewed	No Change
	Failure to generate sufficient business rates income to support corporate revenue projections (PC2)	Possible	Major Disruption	Prudent income forecasting. Dedicated Enterprise Zone team in place	No Change
	Risk that Brexit response not sufficiently well coordinated across local partners leading to loss or duplication of service (SP4)	Possible	Moderate	Continuing dialogue with local partners & assessment of potential responses	Superseded by risk SP4
	Significant transport disruption arises from major transport investment programmes (PC3)	Possible	Major Disruption	Creation of a travel demand management plan and close working with programme sponsors	No Change
	Business failure of transport providers (SD4)	Possible	Major Disruption	Open dialogues for early warnings	No Change
	Risk that the Employment Hub programme is not delivered as required due to reliance on third party delivery (SD5)	Possible	Major Disruption	Regular meetings with delivery partner. Evidence based payment system in place.	No Change

		RED	significantly off track and at risk of not being achieved
		AMBER	at risk of not being fully achieved, intervention measures in place
		GREEN	considered to be completed/on track to be complete/achievable
West Yorkshire Combined Authority Corporate Plan 2019/20: Results for Apr - Jul 2019			
Corporate Plan Commitment (We will)	Target	Apr - Jul 2019 results and RAG status	Notes
<i>Corporate Plan Key Performance Indicators</i>			
Invest in services and projects worth £398 million to benefit local people and the economy	£398,000,000	£80.8m	
Support 3,000+ businesses	3,000	1309	
Invest £105 million of Growth Deal funding in major infrastructure schemes	£105,000,000	£4.38m (Q1 only)	This figure is reported quarterly only and represents Q1. The figure is low for Q1 as expected and rated as GREEN as target is still on track to be achieved.
Enable 20 million passenger journeys per year	20,000,000		Awaiting detailed figures
Support 18,000 disadvantaged students	18,000	5,156	July targets were achieved and are now ahead of profile as schools have come back to Enterprise Coordinators with encounter data from the beginning of the financial year, before summer holidays began. No activity is profiled for August as schools are closed, it is expected that additional encounter information will be reported for April-July 2019.
Complete projects to warm 750 homes and make them more energy efficient	750	272	On track, projects are mobilising within the programme and have launched.
<i>Boosting productivity</i>			
Support businesses in the City Region through the Brexit process and help them to manage the opportunities and challenges it may present	Ongoing throughout 2019/20		Action plan in place and some new/adapted products and services have been developed, including the recruitment of additional Growth Managers to engage with SME business base.
Support 3,025 businesses in our region to grow and become more productive (with 1,035 receiving intensive support)	3,025	1309 (500)	1309 businesses and 500 of these are receiving intensive support.
Develop 5 new business support programmes to respond to the changing economy and business needs, including a scheme to support 60 firms to secure new investment	5	2	Two programmes in delivery focussed on business resilience and investment readiness, with three others in development focussed on resource efficiency, innovation and strategic business planning.
Help 350 businesses to increase their overseas export activity	350	70	A number of key trade initiatives are yet to take place this year. It is anticipated that this KPI will be met however increased priority and resource is currently focused on our response to Brexit implications and business support.
Maximise the opportunities created by Channel 4's HQ relocation by securing additional investment in the creative and digital sectors	Ongoing throughout 2019/20		A new grant fund, #Grow, has been created to support digital businesses with an existing presence in the Leeds City Region who are growing and creating new jobs. This fund will launch as Halifax Digital Festival in September. This compliments the existing, #Welcome, which supports digital businesses moving into the City Region.
Attract global investors to the region creating 1,700 jobs	1,700	569	
Continue to deliver development projects for our Enterprise Zones	Ongoing throughout 2019/20	Ongoing	Progress on key development sites. The Full Business Case for Gain Lane has been approved and the Outline Business Cases for South Kirby and Clifton are progressing through the Assurance Process
<i>Enabling inclusive growth</i>			
Embed inclusive growth principles in our business support programmes, including ensuring 75 per cent of jobs created in businesses receiving grants through our capital grants programme pay the Real Living Wage or above	75%	77%	
Develop an Inclusive Growth Strategic Framework for the City Region	By the end of 2019/20	On track	Senior officer stakeholder group established to co-produce the Framework, currently considering final draft. Aiming to sign-off by end of 2019.
Deliver an enhanced model of employability, enterprise and careers education to disadvantaged young people	18,000	5156	July targets were achieved and are now ahead of profile as schools have come back to Enterprise Coordinators with encounter data from the beginning of the financial year, before summer holidays began. No activity is profiled for August as schools are closed, it is expected that additional encounter information will be reported for April-July 2019.
Enable 1,000 businesses to engage with education and skills initiatives, with 800 supported to offer apprenticeships	1,000	463 (274)	Despite the AGE grant eligibility criteria being changed, demand remains low and the grant remains under review. National funding of apprenticeships with non-levy companies is proving difficult, with some providers reporting that they will have to turn away apprentices and their businesses. As a result, the LEP are introducing a matching service to encourage levy payers to transfer funds to support non-levy business participation. While we are currently on track to achieve this KPI based on current demand but have rated the KPI as amber, due to significant flux in the apprenticeship landscape.
Connect 5,277 homes and businesses in our City Region to super-fast broadband	5,277	2845	
Provide accessible transport services for 5,000 people with personalised transport needs	5000 active passengers	4855 active passengers	Following completion of dedicated vehicle refurbishment, there will be a campaign to raise awareness of the services provided and encourage more users with mobility issues or personalised transport needs, to access support transport services
Enable 40,000 young people to travel from home to school by coordinating services on behalf of our partner councils, with an investment of £3 million a year	40,000	On track	To be reported from October 2019 after the start of the new academic year. Early indications show we are on track to achieve the targeted number of pupils and young people
<i>Delivering 21st Century transport</i>			
Invest £60 million from our Growth Deal in improvements to bus, road and rail travel	£60,000,000	£2.44m (Q1 only)	This figure is reported quarterly only and represents Q1. The figure is low for Q1 as expected and rated as GREEN as target is still on track to be achieved.
Continue developing the bus alliance with operators to deliver better and affordable services for passengers	100%	100%	Bus Alliance signed off by Transport Committee on 5th July. Next step before next quarter is for legal agreement to be signed.
Develop plans to build new railway stations at Elland, Leeds Bradford Airport, White Rose and Thorpe Park, working closely with our partners and local communities	100%	Ongoing	The Outline Business Case for Elland has been approved on 29th March 2019. The Outline Business Case for White Rose has been submitted, seeking Combined Authority approval on 10th October 2019 however, there have been delays with the Outline Business Case for LBA and continued delays with Thorpe Park.
Complete major new road schemes to reduce congestion on key commuter routes, including the Glasshoughton Southern Link Road and York Outer Ring Road	100%	Ongoing	Work on these schemes currently in progress. Glasshoughton is in delivery, Phase 1 of the York Outer Ring Road has completed. The East Leeds Orbital Road is expected to start on site this year.
Continue to influence regional and national transport investment programmes, attracting more investment to our region	Ongoing throughout 2019/20		Ambitious bids submitted to the Transforming Cities Fund and on Future Mobility
Continue to develop our transport services by increasing digital payment options and information displays to make services easier and more convenient for people to use	Ongoing throughout 2019/20		Delivery of Digital Strategy commenced and Information Strategy currently in consultation
Increase sales of MCard by 5 per cent, resulting in over £34 million worth of MCards being purchased over the year	£34,000,000	£10.8m	Sales trends are slightly down from like-for-like sales for this time last year (18/19) and therefore mitigation measures are being considered to counter decline in sales figures
<i>Supporting clean growth</i>			
Enable 750 households to be warmer, save money and become more energy efficient through our Better Homes Yorkshire programme	750	272	On track, projects are mobilising within the programme and have launched.
Continue the delivery of seven flood prevention schemes to reduce the risk of flooding and protect communities and businesses supported by our Growth Deal	7	7	7 schemes are either in delivery or have completed. 3 further schemes are in development
Provide sustainable travel advice to businesses, recruiting an additional 96 employer members to our Travel Plan Network	96	26	
Support a further 88 businesses to save money on their energy bills and use less water and waste through resource efficiency funding and advice	88	42	
Contribute to cleaner air by installing 88 ultra-low emission vehicle (ULEV) charging points for taxis with a goal of making 5.1 per cent of our region's taxis ULEV by 2020	88 ULEV charging points for taxis and making 5.1 per cent of our region's taxis ULEV by 2020	3 installations	3 charging points have been installed to date. The programme is still on track to complete the installations by the end of 2019.
Set out how we will work with our partners to achieve ambitious carbon reduction targets for the Leeds City Region, to become a net zero carbon city region by 2038 at the latest, with significant progress by 2030	Ongoing throughout 2019/20		During Q1 established science-based targets, with planning for extensive stakeholder engagement. Culminated in a series of industry workshops, the creation of the Climate Coalition and the setting of the target in early-July
Begin detailed feasibility work on 10 projects within the new Energy Strategy and Delivery Plan that will enable us to meet our region's energy needs and generate clean, low carbon energy	10	-	REF2 application submitted & Clean Growth audit commissioned

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West Yorkshire Combined Authority - Summary				41%
Title	(A) Budget 2019/20 £	(B) August 2019 Actual £	(B) / (A) %	RAG
Expenditure				
Salary & Pay Related Costs	23,574,623	8,551,024	36.3%	Reflects above average staff vacancies during the year
Indirect Employee Related Costs	385,450	203,275	52.7%	Spend in line with expectations
Premises Related Costs	6,245,146	2,547,724	40.8%	Spend in line with expectations
Travel, Transport & Subsistence Related Costs	121,662	54,467	44.8%	Spend slightly ahead of expectations though only a small budget
Member Related Costs	153,168	49,552	32.4%	Spend in line with expectations
Office Supplies & Services	516,250	191,710	37.1%	Spend in line with expectations - payments in arrears
ICT & Telephony Costs	2,614,132	1,056,190	40.4%	Spend in line with expectations
Professional & Consultancy Fees	2,301,970	614,915	26.7%	Spend in line with expectations
Marketing & PR Costs	2,079,896	358,600	17.2%	Low spend below expectations - due to timing of payments
Insurance	304,900	300,638	98.6%	Spend in line with expectations - premiums paid annually
Operator Payments (Transport)	25,601,325	11,394,465	44.5%	Spend slightly ahead of expectations - plans in place to address before year end
Pre Paid Ticket Cost	34,125,000	12,283,950	36.0%	Cost matched by income (see below) ##
Concessions	56,446,802	22,728,086	40.3%	Spend is slightly below budget
Additional Pension Costs	2,301,600	1,677,271	72.9%	Spend in line with expectations - impact of one annual payment £1.3m paid in advance
Financing Charges	5,465,000	284,463	5.2%	Spend in line with expectations - charges accrued at the year end
Grants	2,137,597	465,271	21.8%	Low spend below expectations - due to timing of payments
Other Miscellaneous Costs	5,040,994	231,884	4.6%	Spend in line with expectations
Contribution to External / Related Parties	324,744	112,092	34.5%	Spend in line with expectations - further spend expected in quarter three
Additional Savings Target	(1,046,619)	0	0.0%	Staff budget saving target - to offset against savings in salary budget above.
Total Expenditure	168,693,640	63,105,578	37.4%	
Income				
Rail Admin Grant	(878,000)	(878,000)	100.0%	Received in advance for full year
LEP General Funding Income	(734,000)	(50,000)	6.8%	Received in arrears and towards year end
Growing Places Fund Interest	(300,000)	(165,764)	55.3%	Income in line with expectations
Enterprise Zone Receipts	(1,958,320)	(531,469)	27.1%	Income in line with expectations
Transport Levy	(93,198,000)	(46,599,000)	50.0%	10 instalments - five received to date
Bus Service Operator Grant (BSOG)	(2,063,592)	(2,063,592)	100.0%	Received in full at the start of the year
Education Contribution to Transport	(6,768,000)	(2,207,034)	32.6%	Income in line with expectations - in arrears normally
Bus Station Tenant Income	(1,583,085)	(512,256)	32.4%	Income in line with expectations - in arrears normally
Bus Station / Services - Other Income	(2,881,917)	(543,114)	18.8%	Low income below expectations - due to timing of receipts
Admin Recharges	(2,459,900)	(818,652)	33.3%	Income in line with expectations
Capitalisation of Revenue Costs	(7,740,378)	(2,785,730)	36.0%	Income in line with expectations
Pre Paid Ticket Income	(34,125,000)	(12,283,950)	36.0%	Income matches expenditure (see above) ##
Other Income	(12,804,799)	(2,046,382)	16.0%	Low income below expectations - due to timing of receipts
Total Income	(167,494,991)	(71,484,942)	42.7%	
Net Expenditure	1,198,649	(8,379,365)	-699.1%	

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Report to: West Yorkshire Combined Authority

Date: 10 October 2019

Subject: **Governance issues**

Director: Angela Taylor, Director of Corporate Services

Author(s): Caroline Allen, Head of Legal and Governance Services

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

1. Purpose of this report

1.1 To advise the Combined Authority of:

- appointments to Combined Authority committees and panels, further to the annual meeting, and
- minor amendments to governance documents

1.2 To appoint an additional independent member to the Governance and Audit Committee.

1.3 To endorse an amendment to the quorum of the Governance and Audit Committee in Procedure Standing Orders.

1.4 To endorse a minor amendment to representation on the Business Innovation and Growth Panel.

2. Information

Appointments to Combined Authority committees and panels

- 2.1 Appointments awaiting confirmation by partner councils at the date of the Combined Authority's annual meeting in June have now been confirmed by the Combined Authority's Head of Legal and Governance Services under delegated authority, in accordance with the nominations received from the relevant councils. Appendix 1 to this report sets out these appointments.

Appointment of Governance & Audit Committee Independent Member

- 2.2 The Combined Authority previously approved in principle the appointment of a further independent member for the Governance and Audit Committee. Following a recruitment process, the Governance and Audit Committee is recommending the appointment of Joanna Wardman, who is a qualified internal auditor and currently works for the Government Internal Audit Agency.

Amendment to Procedure Standing Orders

- 2.3 The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017, requires that the quorum of the Governance & Audit Committee is no less than two-thirds of the total number of members. The appointment of an additional independent member, as detailed in paragraph 2.2 above, requires that the quorum of the Committee be increased from 3 to 4 members and it is recommended that Procedure Standing Orders be amended accordingly.

Minor amendments to governance documents

- 2.4 The Head of Legal and Governance Services has approved minor amendments to the Combined Authority's Members' Code of Conduct and the Conflicts of Interest Protocol for clarification. The amendment to the Members' Code of Conduct clarifies that Members should take into account the **cumulative totals** of gifts and hospitality when deciding whether to declare these. The Conflicts of Interest Protocol was amended to:

- clarify that the protocol applies to **substitutes** as well as Members, that members' interests include those of their spouse and partner, and the steps to be taken by businesses in relation to conflicts of interest.
- insert a reference to **trustees** for clarification and completeness.
- remove a reference to Combined Authority employees (any potential conflicts of interest being addressed by separate Combined Authority procedures).

- 2.5 Representation on the Business Innovation and Growth (BIG) Panel

At its Annual Meeting, the Combined Authority approved the appointment of a non-voting member on the Business Innovation and Growth Panel to represent the digital health sector. The appointment was restricted to a

representative from the Digital Health Enterprise Zone. A minor amendment to this arrangement is proposed to widen the remit to provide for representation from the health-tech/digital health sector.

3. Clean Growth Implications

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

4. Inclusive Growth Implications

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

5. Financial Implications

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

6. Legal Implications

6.1 The Head of Legal and Governance Services has delegated authority under the Officer Delegation Scheme to make amendments to governance documents of the Combined Authority, for clarity.

7. Staffing Implications

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

8. External Consultees

8.1 The LEP Chair was consulted on the proposed amendment to the Conflicts of Interest Protocol which is jointly approved by the Combined Authority and the LEP.

9. Recommendations

9.1 That the Combined Authority notes the appointments to panels and committees confirmed as set out in Appendix 1.

9.2 That the Combined Authority approve the appointment of Joanna Wardman as an independent member of the Governance & Audit Committee for the 2019/20 municipal year.

9.3 That, further to the recommendation to appoint an additional independent member of the Governance & Audit Committee and to comply with legislation, the Combined Authority endorse the amendment of Procedure Standing Orders to increase the quorum of the Committee from 3 to 4 members.

9.4 That the Combined Authority notes the amendments to the Members' Code of Conduct and the Conflicts of Interest Protocol made by the Head of Legal and Governance Services.

9.5 That the Combined Authority endorse a minor amendment to membership of the Business Innovation and Growth Panel to facilitate the appointment of a non-voting member from the wider health-tech/digital health sector as set out in paragraph 2.5 above.

10. Background Documents

There are no background documents.

11. Appendices

Appendix 1 : Appointments to committees and panels since the Annual Meeting

Appointments to the Combined Authority's Committees and Panels since the annual meeting

Appointment	Local Authority	Committee/Panel
Yusra Hussain	Kirklees	Overview & Scrutiny Committee
David Jenkins	Leeds	Overview & Scrutiny Committee (substitute)
Kayleigh Brooks	Leeds	Overview & Scrutiny Committee (substitute)
David Jones	Wakefield	Overview & Scrutiny Committee (substitute)
Claire Douglas	York	Overview & Scrutiny Committee (substitute)
Adam Wilkinson	Calderdale	Employment & Skills Panel
Richard Musgrave	Selby	Place Panel

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Report to: West Yorkshire Combined Authority

Date: 10 October 2019

Subject: **European Structural and Investment Funds (ESIF) – Sustainable Urban Development (SUD)**

Director: Angela Taylor, Director of Corporate Services

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:	Para 3

1. Purpose of this report

- 1.1 That the West Yorkshire Combined Authority (Combined Authority), in its role as the Intermediate Body (IB) for the SUD part of the ESIF programme, approve the advice included in the outline assessment forms at Part 3 of Appendix 2 and 3 together with the respective conditions, and Part 2 in the full assessment forms of Appendix 4 to 6 . The assessment forms will be then submitted to the Managing Authority (MA), Ministry of Housing, Communities and Local Government (MHCLG).

2. Information

Progress to date

- 2.1 On 8 March 2017, the Investment Committee considered and noted the roles and responsibilities relating to Intermediate Body (IB) status delegated to West Yorkshire Combined Authority in order to deliver the SUD Strategy, part of the ESIF Programme.
- 2.2 The Committee, in its advisory role, provided advice on the first draft SUD Call at its meeting in June 2017, which was subsequently agreed by the Combined

Authority, at the 29 June 2017 meeting, for it to be published July 2017 by the Managing Authority (MA), Ministry of Housing, Communities and Local Government (MHCLG).

- 2.3 The Combined Authority has since selected projects to progress to full application stage. Round 1 resulted in only one project progressing to full application stage, due to a high attrition rate. This project is now contracted.
- 2.4 A Round 2 Call was subsequently republished 8 June 2018 and closed 27 July 2018. The Call was not materially changed from that previously approved. A further eight applications were received and considered in late 2018 with four applications selected to progress to full application. Three of the four full applications are now being presented to the Combined Authority for selection. The Investment Committee, at its meeting on 3 September 2019, considered and endorsed the advice contained in the full assessments in order to advise the Combined Authority acting as the Intermediate Body for SUD, to inform its decision with regard to project selection.
- 2.5 As funding was still available a Round 3 Call was published 10 January 2019, closing 22 February 2019. One outline application was received which was considered by the Combined Authority, as Intermediate Body, in April 2019 and was selected to progress to full application.
- 2.6 Given there was a poor response to the Round 3 Call, a further Round 4 Call was published 8 April 2019 and closed 28 June 2019. Two outline applications were received and are now being presented to the Combined Authority for selection. The Investment Committee, at its meeting on 3 September 2019, considered and endorsed the advice contained in the full assessments in order to advise the Combined Authority acting as the Intermediate Body for SUD, to inform its decision with regard to project selection.
- 2.7 Following the two responses received for the Round 4 Call, and given there was still money to be committed locally, a Round 5 Call was published on the 31 July 2019 and is scheduled to close 31 October 2019. The Call value is £6.8 million and is split as follows.
 - Priority Axis 3 (Site development) – £3,900,000
 - Priority Axis 5 (Flood mitigation) - £529,111
 - Priority Axis 6 (Green and blue infrastructure) - £2,400,000
- 2.8 Should the response to the current Round 5 Call not be sufficient to fully commit the Leeds City Region SUD allocation, a final Call will be published in January 2020. Funding pipeline is as outlined below.

SUD Call Round	PA3 (SME Competitiveness)	PA5 (Climate Change - Flooding)	PA6 (Green / Blue Infrastructure)	Total ERDF sought
2017 - Round 1	£636,065			£636,065
2018 - Round 2	£1,967,492	£4,956,453	£1,575,000	£8,498,945
2019 - Round 3			£737,500	£737,500
2019 - Round 4	£1,867,776		£1,000,000	£2,867,776
Value of Pipeline	£4,471,333	£4,956,453	£3,312,500	£12,740,286
Total Allocation	£6,360,135	£5,300,564	£6,360,135	£18,020,835
Remaining allocation – Round 5 Call	£1,888,802	£344,111	£3,047,635	£5,280,549

If funding remains uncommitted once the Call closes, expected to be March 2020, then this money will be moved in to the new national Reserve Fund, set up by MHCLG to manage the remaining ERDF funding across the England programme as well as manage exchange rate fluctuations.

- 2.9 The assessments of the three full applications, Round 2, and the two outline applications, Round 4 are attached to this report as **Exempt Appendices 2 - 6** together with a covering note (**Exempt Appendix 1**).

Selection Process and Assessment Form – Outline Applications

- 2.10 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.
- 2.11 The outline application has been assessed for local strategic fit based on the Leeds City Region ESIF SUD Strategy. In considering the strategic fit a qualitative approach has been used to assess the following to come to an overall view:
- Does the proposed operation contribute to the needs/opportunities identified in the Call to which it is responding?
 - Does the proposed operation aligns to the local growth needs set out in the local ESIF (SUD) Strategy?
- 2.12 In addition advice has been provided to the MA on:
- 2.12.1 **Value for money** – the operation must represent value for money. In assessing value for money, the MA takes account of:
- efficiency: the rate/unit costs at which the operation converts inputs to the fund outputs;

- economy: the extent to which the operation will ensure that inputs to the operation are at the minimum costs commensurate with the required quality;
- effectiveness: the extent to which the operation contributes to programme output targets, results and/or significant strategic impact at the local level;
- that the investment will deliver activities and impacts that would not otherwise take place;

2.12.2 Deliverability

- The operation is deliverable within the requirements of the fund specific operational programme taking account risks, constraints and dependencies.
- Evidence has shown that this type of operation is effective, the risks have been considered and appropriate mitigations put in place.

2.13 Assessment forms are designed and owned by MHCLG. The Assessment form is split in to 5 sections and each completed by either the Combined Authority or the MA as follows:

- **Part 1**, summary project details – completed by MHCLG
- **Part 2**, the gateway assessment - completed by MHCLG
- **Part 3**, the IB's assessment – completed by the Combined Authority
- **Part 4**, the MA's assessment - completed by MHCLG
- **Part 5**, selection decision — completed by the Combined Authority (5a) and MHCLG (5b).

2.14 Following the approval of the Combined Authority's selection decision and advice, the assessment will be finalised and forwarded to the MA, who will then finalise its assessment (taking account of the advice provided by Combined Authority), and make its selection decision.

2.15 The Investment Committee was asked for advice at its meeting on the 3rd September 2019 on whether the proposals set out in the outline applications 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.

The Investment Committee advice was to recommend the projects to the Combined Authority, as the Intermediate Body, for approval.

Selection Process and Assessment Form – Full Applications

- 2.16 The IB has already assessed the respective full applications presented today 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 outline to a full application.
- 2.17 As outlined above the 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, as described at 2.11, 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).
- 2.18 The Investment Committee was asked for advice at its meeting on the 3rd September 2019 on whether the proposals set out at in the full applications 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.

The Investment Committee advice was to recommend the projects to the Combined Authority, as the Intermediate Body, for approval.

Undertaking the Assessment

- 2.19 In line with the agreed IB Conflict of Interest Statement and Operating Protocol – the outline and full applications have 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.
- 2.20 The overall summary of all assessments indicates the scoring criteria is considered to be met. Projects are considered to be sufficiently developed to enable the MA to either ask the applicant to progress the full application now or for the MA to now issue a funding agreement subject to the proposed conditions set out in the full assessments being fully met.
- 2.21 Having concluded the outline assessment process the MA will, if it determines the project may proceed, invite the applicant to submit a full application. The

MA will, in the spirit of joint working, meet with the Combined Authority at the conclusion of this reconciliation to clarify its decision.

- 2.22 In June 2019 MHCLG notified the Combined Authority, acting as IB for SUD, that there had been a change to one of the projects since the full application was submitted, impacting on both project costs and output targets. Consequently the IB was asked to urgently confirm whether the scheme remained a strong strategic fit and to approve these changes so the application could be progressed. The changes were approved in consultation with the Chair of both the Combined Authority and the Investment Committee, and the Director of Corporate Services.
- 2.23 To avoid delays to any similar requests in the future the Combined Authority is asked to delegate such requests to approve minor amendments such as changes to the timetable, costings, and outputs to the Director of Corporate Services in consultation with the Chairs of the Combined Authority and Investment Committee.

3. Clean Growth Implications

- 3.1 The Leeds City Region SUD Strategy gives priority to sustainable urban development which will focus on ecologically sound and resilient site development, particularly in key strategic economic growth sites/locations. The aim will be to create highly attractive and innovative sites providing an unrivalled setting for investment and attracting high value enterprise. Projects have therefore been assessed with regard to their contribution to meeting these aims and objectives of which the detail can be seen in the assessments Appendix 2-6.

4. Inclusive Growth Implications

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

5. Financial Implications

- 5.1 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 (€19.95 million) 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.

6. Legal Implications

- 6.1 The information contained in **Appendices 1 to 6** are 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.

6.2 The risks of non-compliance with regard to the delegated function of the Combined Authority as an Intermediate Body were previously outlined at the meeting in March 2017.

7. Staffing Implications

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

8. External Consultees

8.1 MHCLG have been consulted in their role as Managing Authority in the production of this report.

9. Recommendations

9.1 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 outline assessment forms and any respective conditions at Part 3 of Appendix 2-3.

9.2 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 assessment forms at Part 2 of Appendix 4-6 to allow the MA to now issue a funding agreement subject to the proposed conditions set out in the full assessments being fully met.

9.3 That the Combined Authority, in its role as the Intermediate Body for the SUD part of the ESIF programme, delegate approval to minor changes to projects where requested by MHCLG to the Director of Corporate Services in consultation with the Chairs of Combined Authority and Investment Committee.

10. Background Documents

There are no background documents referenced in this report.

11. Appendices

Exempt Appendix 1 - Summary FINAL

Exempt Appendix 2 - Havertop Lane Ph1 OA FINAL

Exempt Appendix 3 - Healthy Streets OA FINAL

Exempt Appendix 4 - SME Units at South Kirkby full appraisal FINAL

Exempt Appendix 5 - Brighouse CIP full appraisal FINAL

Exempt Appendix 6 - Top of Town full appraisal FINAL

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Report to: West Yorkshire Combined Authority

Date: 10 October 2019

Subject: **Progress on the Transformation Programme**

Director: Ben Still, Managing Director

Author(s): 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 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 provide the West Yorkshire Combined Authority with an update on progress in implementing the organisation's Transformation Programme.

2. Information

- 2.1 Since the Combined Authority was formed in 2014, a significant transformational programme has been implemented to create one integrated organisation from its constituent parts of the Local Enterprise Partnership (LEP), the West Yorkshire Passenger Transport Executive (Metro) and Leeds and Partners. This work was initially led through the 'One Organisation' change programme, which involved the inception of 17 interconnected change projects.
- 2.2 Appendix 1 provides an overview of the One Organisation programme and the various projects within it. The programme was designed to enable better integration between the development of policy and strategy with effective delivery through robust projects, programmes and services. In addition it also sought to put in place the building blocks for sustained culture change.

- 2.3 In September 2016, the Combined Authority considered the detail of the emerging One Organisation change programme and following this updates on various individual projects within it have also been considered at different stages by the Combined Authority.
- 2.4 Some of the key achievements of the programme included:
- Introduction of a completely new Directorate structure for the organisation, bringing together a number of different bodies into one and introducing new team structures below this to better enable delivery of objectives;
 - Introduction of strengthened partnership working arrangements, informed by a programme of political engagement activities across West Yorkshire and York councils, to identify opportunities for greater collaboration;
 - Launch of a new brand and identity for the Combined Authority to better reflect the ambition and objectives of the organisation;
 - Introduction of a new set of organisational values and behaviours developed through significant staff engagement in order to drive culture change;
 - Introduction of a new Assurance Framework to enable us to better appraise, monitor and evaluate projects robustly and consistently;
 - Completion of a first phase of internal office moves to bring teams together, promote collaboration and enable flexible working; and
 - Introduction of a range of measures to increase transparency and accountability across everything we do.
- 2.5 In order to build on these achievements and continue to drive further improvements, a second phase of the programme was launched in April 2018 as the 'Transformation Programme'. This was to recognise that the early work to create one integrated organisation had been largely completed. The Transformation Programme seeks to embed further the changes that have already been made, with a focus on improving corporate processes, addressing new issues such as GDPR, replacing outdated technology and introducing new more collaborative ways of working.
- 2.6 A diagram summarising the key components of the Transformation Programme is provided at Appendix 2. The programme was developed around the following key themes:
- Embedding the values and behaviours and driving culture change;
 - Replacing un-supported and outdated corporate technology;
 - Introducing flexible ways of working and improving accommodation;
 - Updating corporate policies and processes;
 - Enhancing internal governance processes and supporting the introduction of GDPR;
 - Improving monitoring and reporting of capital projects through a new Portfolio Information Management System; and
 - Transforming transport services to improve efficiency

2.7 An update on progress on delivering against each of these themes and a summary of the next steps is provided below.

Embedding the values and behaviours and driving culture change

2.8 In early 2017 a set of new organisational values for the Combined Authority was developed, in consultation with staff, to guide how the organisation conducts its day to day business activities. These five values and the specific behaviours associated with them are as follows:

<p>Championing our region</p> <ul style="list-style-type: none"> • <i>We have pride in our region and what we do</i> • <i>We are all ambassadors and role models</i> • <i>We understand how our work contributes to the bigger picture</i> • <i>We collaborate with our partners to make the region better</i>
<p>Working together</p> <ul style="list-style-type: none"> • <i>We work together as one organisation</i> • <i>We work together to deliver joint solutions</i> • <i>We understand the impact that our work has on others</i> • <i>We treat each other with respect and celebrate diversity</i> • <i>We align our priorities and communicate clearly</i>
<p>Working intelligently</p> <ul style="list-style-type: none"> • <i>We try new ideas and approaches</i> • <i>We take the right steps to succeed</i> • <i>We streamline the way we work to add value</i> • <i>We work efficiently with the right tools and technology</i> • <i>We use all of our resources responsibly and sustainably</i>
<p>Positive about change</p> <ul style="list-style-type: none"> • <i>We embrace change and innovation</i> • <i>We welcome challenge and challenge others constructively</i> • <i>We are always learning and we nurture talent</i> • <i>We have clear direction and leadership</i> • <i>We empower decision making</i>
<p>Easy to do business with</p> <ul style="list-style-type: none"> • <i>We are responsive to customer needs</i> • <i>We take ownership and find effective solutions</i> • <i>We are courteous and professional at all times</i> • <i>We deliver what we say we will and at pace</i> • <i>We are open about our decision-making</i>

2.9 Under the Transformation Programme, significant work has been undertaken to focus our organisational culture on these core values and as a result these are already well embedded across the organisation. A cross-directorate culture working group is in place to continue to identify activities aimed at further embedding the values and behaviours. The work in this area to date has included:

- Internal communications campaigns to reinforce the values and to bring these to life in day to day activities;
- Work to ensure that the values are firmly embedded within key corporate documents, policies and processes;
- Introduction of practical initiatives to break down silos and to reinforce cross-directorate relationships; and
- Coordination of staff recognition activities to celebrate and emphasise best practice in demonstrating the values.

Replacing un-supported and outdated corporate technology

- 2.10 A Corporate Technology Strategy was developed for the Combined Authority in late 2017 to consider how the current and future business requirements of the organisation could be better met through the more effective use of technology. This set out the proposed approach to modernising the legacy ICT systems and infrastructure, which had been inherited from the Combined Authority's predecessor organisations. These had in many cases not been updated for many years and as such were both outdated and no longer adequately supported by the ICT sector.
- 2.11 In May 2018 the Combined Authority subsequently gave approval for this strategy to move into the delivery process in the form of a Corporate Technology Programme (CTP). This programme is focussed on transforming the Combined Authority into a 'digital first' organisation, with the ability for staff to work more flexibly and with effective tools and systems to support better productivity.
- 2.12 The CTP is now in the process of delivering a range of targeted initiatives to meet this ambition and these can be summarised as follows:
- Further improvements to cyber security systems, disaster recovery and business continuity processes;
 - Delivering enhanced accessibility for users and customers across all our technology platforms;
 - Updating physical network infrastructure to improve network performance and efficiency;
 - Modernising data storage platforms and moving to cloud storage solutions wherever possible;
 - Enabling flexible working practices through moving from desktop computers to laptops and embedding collaboration tools;
 - Digitising services to improve efficiency and user experience;
 - Improving Customer Relationship Management (CRM) systems across the organisation; and
 - Gaining the ITIL industry ICT service management accreditation which is recognised as global best practice;
- 2.13 These projects are at various stages in the delivery process with full completion of the programme expected by summer 2020. From mid-October 2019 a range of tools to enable staff to work more flexibly will start to be rolled out across the organisation. This will coincide with the work to refurbish the

Wellington House office space (see 2.14 below), enabling hot desking and improving opportunities for collaborating with partners.

Introducing flexible ways of working and improving accommodation

- 2.14 Following the major restructuring process which took place early on in the change programme, work is underway to improve Wellington House. The Combined Authority have previously considered the detail of the Wellington House accommodation project during its development and copies of previous Combined Authority reports can be accessed at the following links:

[Combined Authority report June 2017 \(Item 20\)](#)

[Combined Authority report June 2018 \(Item 18\)](#)

Updating corporate policies and processes

- 2.15 The Transformation Programme contains a specific workstream to review and update all corporate policies and processes to ensure that they reflect the organisation's values and wider change ambitions. While this process routinely happens as a business as usual activity, those policies which will support more efficient ways of working and drive behaviour change, have been prioritised and updated.
- 2.16 Work has also been undertaken to develop policy guidance and toolkits to ensure that there is a consistent approach to the development of internal and external policies across the organisation.

Enhancing internal governance procedures and supporting the introduction of GDPR

- 2.17 As part of the change programme a project to improve information governance procedures was put in place to build further on the changes introduced under the General Data Protection Regulations (GDPR), which came into force in May 2018.
- 2.18 In addition to general measures to ensure continued GDPR compliance, a number of wider improvements have also been made to date. These include rolling out information governance training to all staff, tailored training for Information Asset Owners and Administrators, enhancing records management arrangements, refreshing corporate retention schedules and establishing improved off-site archiving facilities.
- 2.19 In addition the new tools currently being provided as part of the Corporate Technology Programme (see 2.10-2.13 above), will also drive further efficiencies in data management and ensure continuous improvement with regard to data security measures.
- 2.20 More generally progress has also been made with regard to streamlining internal decision making procedures, through the reallocation of some of the

Managing Director's existing delegations to senior officers. This has resulted in greater efficiency in internal decision making, while continuing to ensure sufficient levels of rigour and transparency around the decisions taken.

Improving monitoring and reporting of capital projects through a new Portfolio Information Management System

- 2.21 An early project to be delivered through the change programme was the introduction of a new 'Portfolio Information Management System' (PIMS) which provides a coordinated means of monitoring and reporting across our full portfolio of projects and programmes. Following extensive stakeholder engagement, this system was launched in September 2018 and is being used by the Combined Authority and its district council partners to centrally record and report on projects and programmes.
- 2.22 The PIMS system has provided a more effective framework for managing project and programme information and has improved consistency of reporting through the use of standardised templates and documents. In addition the summary dashboard reports that are generated through the system are providing clearer information which is helping to manage budgets, assess progress and identify issues and risks earlier.
- 2.23 Further work on the PIMS system is ongoing to improve functionality and to identify further opportunities to use the information generated by the system to inform decision making and demonstrate the impact and benefits of capital funded projects to the Leeds City Region.

Transforming transport services

- 2.24 A further priority within the Combined Authority's change programme is the transformation of public transport services and how the organisation coordinates or supports these services. This is a significant and challenging area of work which is aiming to use innovation in the transport industry and collaborative partnerships to modernise services for customers and ensure value for money.
- 2.25 This work involves three areas of focus as follows:
- Modernising our digital payment & information services;
 - Supporting mobility to deliver cost effective and inclusive public transport services; and
 - Maximising the development and income generation potential from our asset portfolio and driving efficiencies in how it is managed.
- 2.26 Work is progressing on all of these workstreams and is routinely being reported to the Transport Committee and considered by the Budget Working Group. Successes to date include the adoption of a new Digital Payment Strategy and the development of a Bus Information Strategy which is now being finalised following public consultation. In addition following the establishment of the Bus Alliance earlier this year, progress is being made in

realising bus service improvements through a partnership approach and in developing proposals for Demand Responsive Transport services.

3. Inclusive Growth Implications

- 3.1 The individual inclusive growth implications of each of the projects within the change programme are being considered on a case by case basis.

4. Financial Implications

- 4.1 The financial implications of each of the change projects are being considered on a case by case basis and funding approvals sought through appropriate channels.

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, however the staffing implications of specific change activities are being considered on an individual basis.

7. External Consultees

- 7.1 Public consultation has taken place on elements of the Transforming Transport Services work (as outlined at 2.24-2.26) and this will continue as the work develops further.

8. Recommendations

- 8.1 That the Combined Authority notes the information contained within this report

9. Background Documents

- 9.1 None.

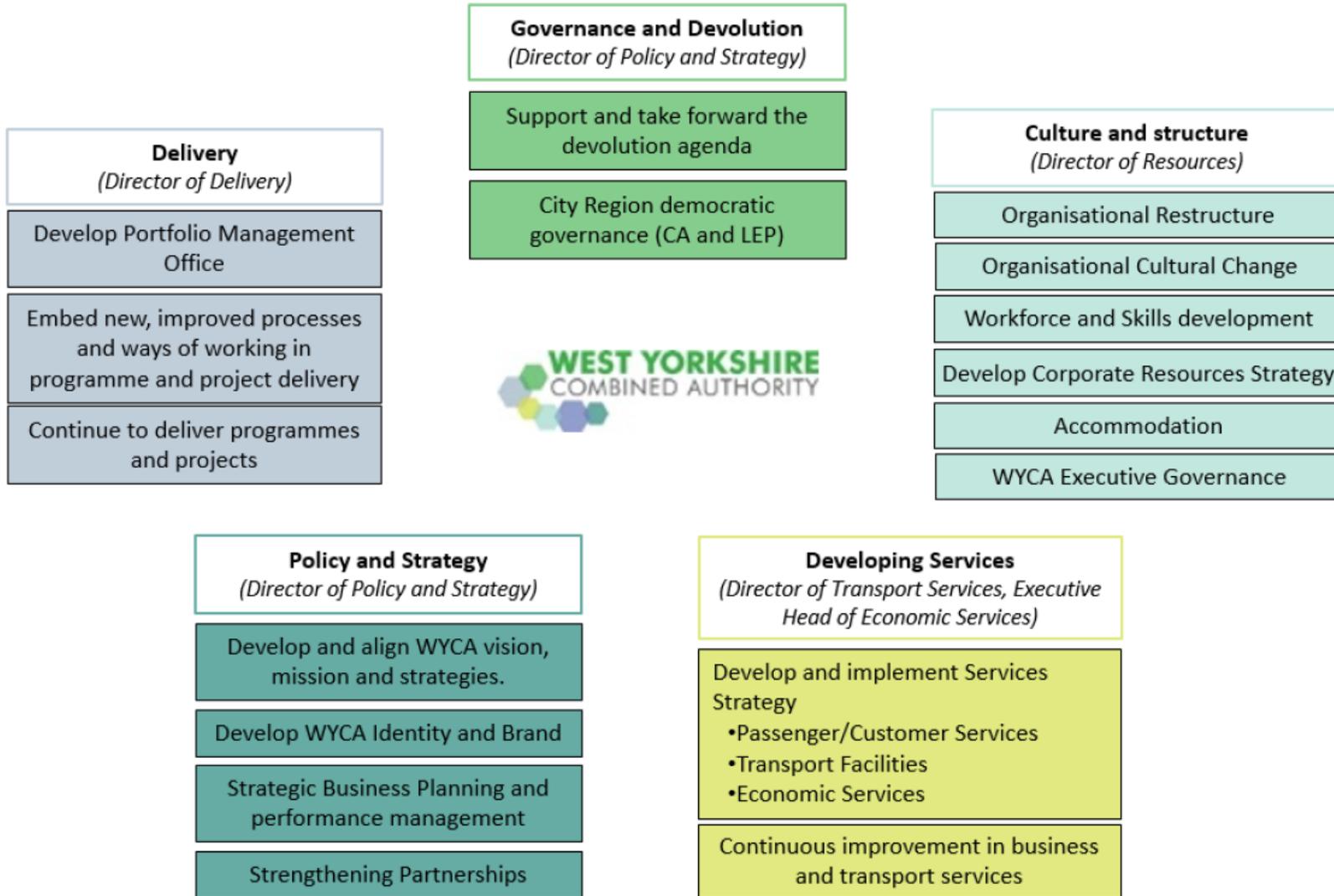
10. Appendices

Appendix 1 – Overview of the One Organisation Programme

Appendix 2 – Overview of the Transformation Programme

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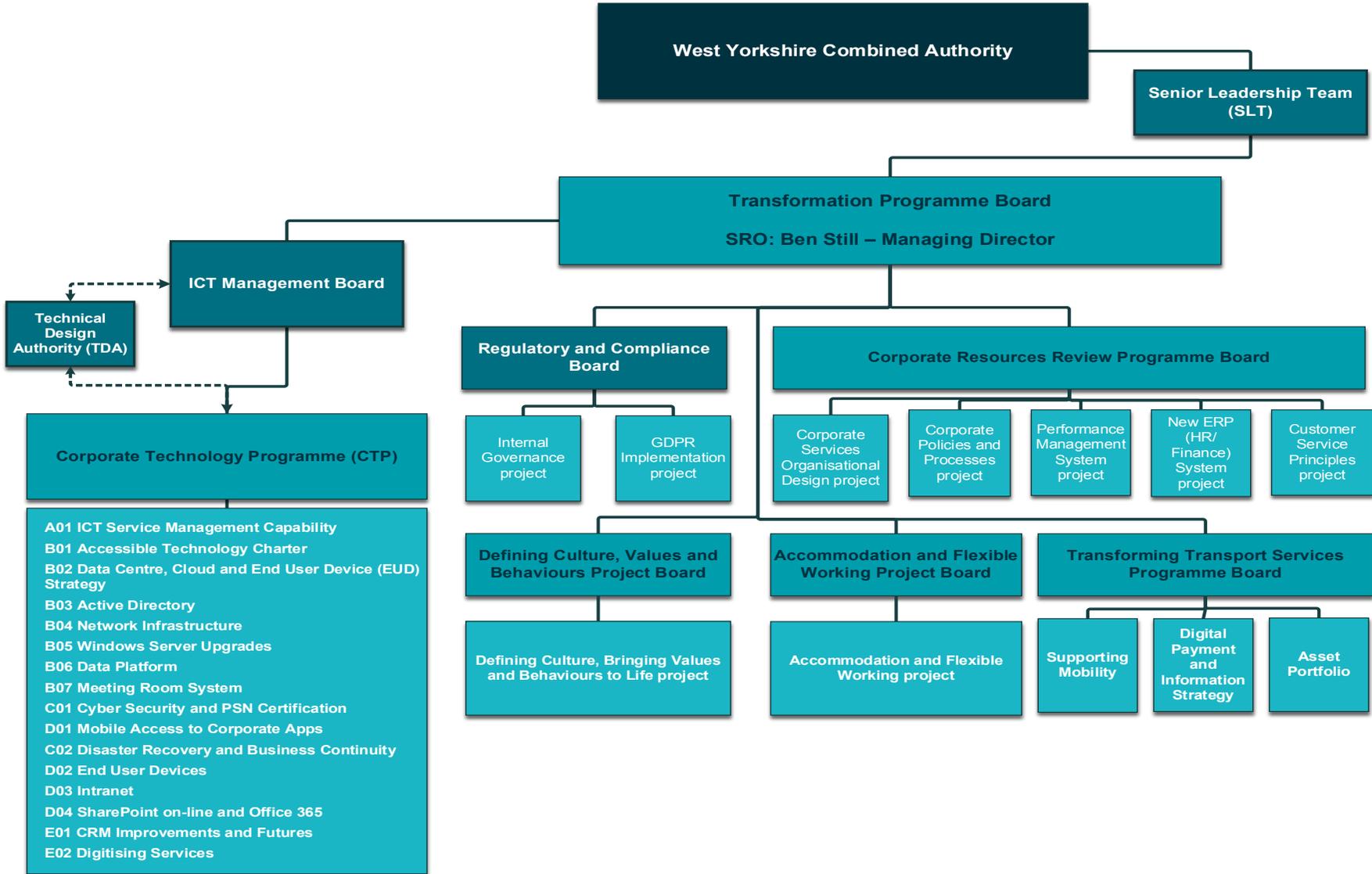
Appendix 1: Overview of the One Organisation Change Programme



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Appendix 2: Overview of the Transformation Programme

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Report to: West Yorkshire Combined Authority

Date: 10 October 2019

Subject: **Minutes for Information**

Director: Angela Taylor, Director of Corporate Services

Author(s): Ruth Chaplin

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

1. Purpose of this report

- 1.1 To provide Members with details of the minutes of committees and panels that have been published on the West Yorkshire Combined Authority's website since the last meeting.

2. Information

- 2.1 The following minutes have been published on the West Yorkshire Combined Authority's website and can be accessed [here](#):

- Transport Committee held on 5 July 2019
- Green Economy Panel held on 9 July 2019 (Draft)
- Overview & Scrutiny Committee held on 12 July 2019
- LEP Board held on 18 July 2019
- Governance & Audit Committee held on 23 July 2019 (Draft)
- Place Panel held on 30 July 2019 (Draft)
- Investment Committee held on 3 September 2019
- Overview & Scrutiny Committee held on 13 September 2019 (Draft)

3. Clean Growth Implications

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

4. Inclusive Growth Implications

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

5. Financial Implications

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

6. Legal Implications

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

7. Staffing Implications

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

8. External Consultees

8.1 No external consultations have been undertaken.

9. Recommendations

9.1 That the minutes of the Combined Authority's committees and panels be noted.

10. Background Documents

There are no background documents referenced in this report.

11. Appendices

None.