

**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY, 14 FEBRUARY 2019 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Councillor Susan Hinchcliffe (Chair)	Bradford Council
Councillor Tim Swift MBE (Vice-Chair)	Calderdale Council
Councillor Judith Blake CBE	Leeds City Council
Councillor Peter Box CBE	Wakefield Council
Councillor Stewart Golton	Leeds City Council (to minute 88)
Roger Marsh OBE	Leeds City Region Enterprise Partnership
Councillor Shabir Pandor	Kirklees Council
Councillor John Pennington	Bradford Council
Councillor Andrew Waller	City of York Council

In attendance:

Councillor Kim Groves	Chair, Transport Committee
Councillor Elizabeth Smaje	Chair, Overview & Scrutiny Committee
Paul Barnfield	Northern (minute 83)
Paul Watson	TransPennine Express (minute 83)
Ben Still	West Yorkshire Combined Authority
Caroline Allen	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Dave Pearson	West Yorkshire Combined Authority
Ruth Chaplin	West Yorkshire Combined Authority

79. Apologies for Absence

Apologies for absence were received from Councillor David Hall.

80. Declarations of Disclosable Pecuniary Interests

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

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

There were no items on the agenda requiring the exclusion of the press and public.

82. Minutes of the Meeting of the Combined Authority held on 13 December 2018

Resolved: That the minutes of the meeting of the West Yorkshire Combined Authority held on 13 December 2018 be approved and signed by the Chair.

83. Rail Update

The Combined Authority considered a report of the Director of Transport Services which provided an update on the performance of the local rail service and on the industry reviews seeking to address the structural issues in the industry which are affecting passengers on a daily basis.

Following the last meeting, invitations had been sent to the Managing Directors of Northern and TransPennine Express together with the Regional Director of Network Rail to attend the meeting and outline their plans to improve punctuality and reliability and to restore confidence in the City Region's rail service. The meeting was attended by Paul Barnfield, Service Delivery Director, Northern and Paul Watson, Operations Director, TransPennine Express. Members expressed their extreme disappointment that there was no representative from Network Rail present and asked that they be invited to the next meeting.

It was noted that although performance had improved following the December timetable change, issues did remain. Members stressed their continued concerns that services were still failing to operate at an acceptable level and passengers and the local economy were being severely affected. The effect on consumer confidence was highlighted with the latest National Rail Passenger Survey results showing that overall satisfaction was down by 11% to 72% on the previous year.

Members highlighted their concerns about several issues including the withdrawal of Pacer units, particularly on the Calder Valley line, shortforming of trains and communication with passengers. In respect of the introduction of new rolling stock, Northern stated that they had a robust plan and were confident that all the Pacer units in West Yorkshire would be replaced by the end of 2019. When Members asked for assurances that this would happen, Northern said that they could guarantee they had a plan that no Pacers would be in service by the end of 2019 but alternative options would need to be explored if issues occurred around fleet cascade. It was noted that there was to be a change of legislation in January 2020 which would affect older rolling stock and the train operating companies would need to ensure they were compliant.

TransPennine Express referred to the May 2018 timetable problems and the importance of providing a robust service which would help to restore passenger confidence. Their new trains were currently being tested and were expected to come into service on the Liverpool-Manchester and Leeds-York-Scarborough services in May 2019.

The Combined Authority thanked the Northern and Network Rail representatives for attending the meeting and reiterated the need to see continued improvements and better communication and engagement with the public as this was key to restoring passenger confidence. Members asked that an update be provided at a future meeting.

Members noted that the inaugural meeting of the Train Operators Forum had been held and key issues and priorities for the year ahead had been discussed. This had been attended by Northern, TransPennine Express, Network Rail and Transport Focus and they had explained their plans for 2019 which were outlined in the submitted report.

It was reported that the Rail North Partnership Review undertaken by Councillor Judith Blake and Andrew Johnson, the Minister for Rail, had been considered by the Transport for the North Board on 7 February 2019. In respect of the Williams Review of the UK Rail Industry, Members noted the Combined Authority's initial submission which was attached at Appendix 1. It was noted that the work being undertaken by Richard George, who was working closely with TfN, the Rail North Partnership, Network Rail and train operators was not yet complete but it was suggested that he be invited to a future meeting.

Resolved:

- (a) That the Combined Authority's concerns that rail passengers continue to experience delays, cancellations and short forming of trains and the steps taken by Northern, TransPennine Express and Network Rail to remedy this be noted.
- (b) That the Combined Authority's initial submission to the Williams review of the UK Rail Industry be endorsed.

84. Transport for the North Strategic Transport Plan

The Combined Authority considered a report of the Director of Policy, Strategy and Communications which provided an update on Transport for the North's Strategic Transport Plan including the implications for the region.

It was reported that following the formal stakeholder and public consultation on the draft Strategic Transport Plan, Transport for the North's (TfN) Board had approved the final version on 7 February 2019 which had been updated to incorporate the responses.

The Combined Authority had responded to the consultation on behalf of all the West Yorkshire District Councils. The points raised in the response were detailed in the report and it was noted that TfN have adapted the STP to address these. There did remain an issue in respect of the map being used to portray the possible Northern Powerhouse Rail (NPR) options. The Combined Authority will continue to press TfN to prioritise their investment programme, to change the NPR map to better reflect Bradford's economic position and for the full benefits of the Transpennine route upgrade to be realised.

The report also highlighted the key points in the STP and the Investment Programme that have an impact in the region across road, rail and smart ticketing in particular.

Members were advised that the Strategic Outline Business Case for NPR was also approved by the Transport for the North's Board. It was noted that whilst this is not a public document, TfN have published high level details of what is included and have published their statutory advice.

Resolved: That the Transport for the North's recommendations be welcomed and the implications for the region be noted.

85. Brexit Update

The Combined Authority considered a report of the Director of Policy, Strategy and Communications which provided an update on the organisational preparation being undertaken by the West Yorkshire Combined Authority and the Leeds City Region Local Enterprise Partnership as the UK prepares to leave the European Union.

Members discussed and noted the work being undertaken to support businesses, the impact on delivery and funding, implications for transport services and the readiness of bus operators. It was highlighted that local authorities were involved in the wider preparations through the West Yorkshire resilience forum.

The report also provided an update on economic intelligence and details on the recent announcement from the Ministry of Housing, Communities and Local Government on financial support to councils and combined authorities in respect of their preparations for Brexit. The importance of liaising with partners across the City Region was stressed and Members were advised of the work being undertaken by Government with local authority Chief Executives and LEPs, the LGA's Brexit Delivery Board and local resilience forums. An update would be provided at the next meeting.

Resolved: That the report be noted.

86. 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:

- Raising Aspirations
- Headrow City Centre Gateway
- A647 Bus Priority Corridor Leeds
- Corridor Improvement Programme Phase 1 – Huddersfield Southern Corridors
- Rochdale Canal – Cycle Safety Fund

In addition to the above, the Combined Authority considered the revised approval routes which were detailed in the report in respect of the A629 Phase 2 and the Dewsbury Riverside Housing scheme. It was agreed that decisions for both schemes to progress be delegated to the Investment Committee.

Members noted the following decision points and change requests which have been assessed since the last meeting and approved through the agreed delegation to the Investment Committee:

- Bradford Interchange Station Gateway – Phase 1
- Bradford Forster Square Station Gateway
- Halifax Town Centre – Northgate House

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

Resolved:

(a) In respect of Raising Aspirations –

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

- (i) That the raising aspirations project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs).
- (ii) That an indicative approval to the total project value of £400,000 to be funded by the Combined Authority from the secured business rates pool 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).
- (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.

(b) In respect of Headrow City Centre Gateway –

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

- (i) That the Headrow Gateway scheme proceeds through decision point 3 and work commences on activity 4 (full business case).

- (ii) That an indicative approval to the total project value of £20.7 million is given from the Leeds Public Transport Investment Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (iii) That development costs of £500,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) taking the total project approval to £1.1 million.
 - (iv) That the Combined Authority enters into an addendum to the existing Funding Agreement with Leeds City Council for expenditure of up to £1.1 million from the Leeds Public Transport Investment Fund.
 - (v) 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 A647 Bus Priority Corridor –
- That following a recommendation from the Investment Committee, the Combined Authority approves:
- (i) That the Leeds Public Transport Investment Programme: A647 Corridor project proceeds through decision point 3 (outline business case) and work commences on activity 4 (full business case).
 - (ii) That an indicative approval to the total project value of £9.68 million is given from Leeds Public Transport Investment Programme 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).
 - (iii) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 4 (full business case) and decision point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.

- (d) In respect of Corridor Improvement Programme Phase 1 - Huddersfield Southern Corridors –

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

- (i) That the Huddersfield Southern Corridors scheme proceeds through decision point 3 and work commences on activity 4 (full business case).
- (ii) That an indicative approval to the total project value of £8.199 million is given from the West Yorkshire plus Transport Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) That development costs of £2.234 million are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) taking the total project approval to £2.534 million. This includes land acquisition costs of £1.6 million.
- (iv) That the Combined Authority enters into an addendum to the existing funding agreement with Kirklees Council for expenditure of up to £2.534 million from the West Yorkshire plus Transport Fund.
- (v) 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.

- (e) In respect of Rochdale Canal – Cycle Safety Fund –

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

- (i) That the Rochdale Canal Cycle Safety Fund Towpath Phase 2 (Hebden Bridge to Todmorden) scheme proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs).
- (ii) That an indicative approval to total project cost of £2.101 million of which £1.971 million will be Combined Authority Funding which will be funded from the DfT Cycle Safety Grant and Cycle City Ambition Grant with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).

- (iii) That future approvals are made in accordance with the 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.
- (f) That the Combined Authority approves the revised approval route for the A629 Phase 2 and the Dewsbury Riverside Housing scheme, to enable the Investment Committee to make the decision on behalf of the Combined Authority.

87. Budget and business plan 2019/20

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

- Sought approval to the proposed revenue budget and transport levy for 2019/20, the indicative capital programme, capital strategy and treasury management statement.
- Sought approval to the detailed business plan for 2019/20 that sets out the services, activities and priorities for the organisation in the coming year.

Business Plan 2019/20

It was reported that a detailed business plan had been produced, focussing on productivity, inclusive growth and a 21st century transport system. It was noted that a number of actions addressing carbon reduction have been identified and a fourth corporate priority on clean growth had been included to reflect the environmental ambitions and the work being done to achieve a zero carbon economy. The proposed business plan for each directorate was attached at Appendix 1 and Members were given a presentation setting out their main focus and summarising how the money is planned to be spent. A public facing corporate plan was being developed, and this would draw on the information in the business plans to demonstrate what the Combined Authority and LEP intend to deliver for people in the region in the coming year.

Revenue Budget 2019/20

Members considered the proposed revenue budget which was set out in Appendix 3 and details of the key drivers and assumptions for the main budget lines were provided in the submitted report.

Details of the Reserves Policy and position for 2018/19 were outlined in the submitted report and the workings for this year's reserves policy were set out in Table 1. It was noted that an animation was available on the

Combined Authority's website that summarised the budget and work of the Combined Authority.

Transport Levy

Details of the net and gross levy by population, showing the effect of the decrease of £1million and the change in population base were provided in Table 3. This also included the proposed part rebate of previously received contributions towards the Transport Fund reserve. It was proposed to rebate £2 million for the next two financial years whilst the requirement for borrowing against the capital programme is building up.

Capital Programme 2017/18 and 2018/19

The Combined Authority noted the capital programme for 2019/20 and subsequent years and the indicative capital programme which were outlined in the submitted report.

It was reported that the Investment Committee now had some approval powers and they would continue to be a key part of the process whereby Growth Deal and other projects are considered and recommended for progression. It was also proposed that the arrangement for the Transport Committee to approve Integrated Block funded projects up to a value of £3m is continued for 2019/20.

Treasury Management

Members noted the Prudential Funding Statement which was attached at Appendix 4. This set out the treasury management activity in the year, the arrangements in place and details of the funding position.

It was reported that approval of the budget and business plan 2019/20 was a key decisions which should have been published 28 days in advance of consideration of the item. However as the Combined Authority is required by the levying regulations to set the transport levy for 2019/20 by 15 February 2019, it was agreed to take the decision under the rules of General Exception as detailed in paragraph 5.2 of the submitted report.

Resolved:

- (a) That the Combined Authority revised budget / forecast for 2018/19 and the proposed budget for 2019/20 be approved.
- (b) That the indicative capital programme for 2018/19 – 2021/22 be approved.
- (c) That the 2019/20 business plan be approved.
- (d) That the Transport Committee be delegated to approve individual schemes within the integrated transport block of the 2019/20 capital programme up to a maximum cost of £3m.

- (e) That in accordance with the powers contained in the Local Government Finance Act 1988 (as amended) and by virtue of article 9(6) of the West Yorkshire Combined Authority Order and the Transport Levying Bodies Regulations 2015 (as amended) a levy of £104m be determined for the year ended 31 March 2020.
- (f) That the Director of Corporate Services be authorised to issue the levy letter in respect of the financial year ending 31 March 2020 to the five District Councils in West Yorkshire.
- (g) That a payment of £5.09 million and of £2 million be made to the District Councils in accordance with Table 3 of the report.
- (h) That authorisation be given to the Director of Corporate Services to arrange appropriate funding for all expenditure in 2018/19 and 2019/20 subject to statutory limitation, including the most appropriate application of capital funding as set out in the report.
- (i) That approval be made to the expenditure of highways maintenance funding of £28.442 million and the pothole action fund of £1.594 million, to be paid quarterly to the West Yorkshire local authorities in accordance with the DfT formula, and for Director of Corporate Services to vary these amounts should DfT revise the payments from those provisionally indicated.
- (j) That approval be given to the continuing of the policy, effective from 2017/18, for recovering the Combined Authority costs of managing the capital programme against the capital programme spend being mainly Growth Deal, Leeds Public Transport Investment Programme and Local Transport Plan Integrated Transport. For 2019/20 the estimated total value is £7.8 million (2% - 3%).
- (k) That the adoption of the CIPFA Code of Practice for Treasury Management in Public Services be reaffirmed.
- (l) That the treasury management policy as set out in **Appendix 4** of the report be approved.
- (m) That the prudential limits for the next three years as set out in **Appendix 4** of the report be adopted.

88. Devolution

The Combined Authority considered a report of the Director of Policy, Strategy and Communications 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 a copy of the letter would be circulated. The Leaders would now meet to discuss the decision before responding to Government.

Resolved: That the progress made and next steps on devolution to Leeds City Region be noted.

89. Strengthened Local Enterprise Partnerships

The Combined Authority considered a report of the Director of Policy, Strategy and Communications on Strengthened Local Enterprise Partnerships.

Members discussed whether to agree, in principle, to act as the accountable body for a new local enterprise partnership (LEP) covering the geographical areas of West and North Yorkshire and York. It was recognised that this is subject to, and does not prejudice, upcoming considerations by the existing LEP Boards about whether and how to establish a new LEP, and the work of the Transition Subgroup that is overseeing the development of recommendations to those Boards.

Resolved: That the Combined Authority agrees in principle to act as the accountable body for the new Local Enterprise Partnership.

90. Local Assurance Framework Update

The Combined Authority considered a report of the Director of Delivery on the Local Assurance Framework which:

- Provided an update on progress relating to changes proposed to the Leeds City Region Assurance Framework arising from its annual review, and with the recently issued review of the National Local Growth Assurance Framework (January 2019).
- Sought feedback on the updated assurance requirements and approval for the substantive form of the document following the incorporation of further changes requested, and to authorise the Combined Authority's Managing Director to finalise the document in consultation with the Chair of the Combined Authority and the Chair of the LEP Board for submission, and to make further in year changes as may be required.

Details of the main changes as a result of the national guidance were outlined in the report and it was reported that other changes required included an update to the delegated authority to reflect the changes to the Investment Committee and to stage 1 of the Combined Authority's assurance process.

Further work would be undertaken to ensure compliance and incorporate feedback from the Combined Authority and other committees and groups. The Overview & Scrutiny Committee's LEP Review Delivery Working had offered a level of challenge as 'critical friends' to the approach taken and scrutiny of the draft document. The LEP had agreed on 23 January 2019 that authority be delegated to the Combined Authority's Managing Director to finalise the content in consultation with the Chair of the LEP and the Chair

of the Combined Authority prior to submission to its submission by 31 March 2019.

Resolved:

- (i) That the substantive form of the draft Assurance Framework be approved.
- (ii) That the Combined Authority's Managing Director be authorised to finalise the content of the Assurance Framework in consultation with the Chair of the Combined Authority and the Chair of the LEP Board, and to submit the document to Government by 31 March 2019.

91. 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.

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

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

Resolved: That the report be noted.

92. Governance Arrangements

The Combined Authority considered a report of the Director of Corporate Services on governance arrangements in respect of:

- To note changes and make appointments to the Combined Authority's committees and panels.
- To note that the Executive Head of Economic Services is leaving the Combined Authority at the end of April 2019 and that interim arrangements will be put in place as a consequence.
- To note that the Resources directorate has been renamed Corporate Services and as a result the post of Director of Resources has been renamed the Director of Corporate Services.

The Combined Authority passed on their thanks and best wishes to Sue Cooke in her future career.

Resolved:

- (a) That the Combined Authority notes the City of York Council's revised nomination to the Overview and Scrutiny Committee and co-opts Councillor Helen Douglas onto the committee in place of Councillor Jenny Brooks with immediate effect.
- (b) That the Combined Authority notes the City of York Council's revised nomination to the Place Panel and co-opts Councillor Jenny Brooks onto the panel in place of Councillor Helen Douglas with immediate effect.
- (c) That the Combined Authority notes Wakefield Council's revised nomination to the Overview & Scrutiny Committee and co-opts Councillor Steve Tulley onto the panel in place of Councillor Albert Manifold with immediate effect.
- (d) That the Combined Authority notes Bradford Council's nomination to fill the vacancy on the Transport Committee and co-opts Councillor Michael Johnson onto the committee with immediate effect.
- (e) That the Combined Authority notes Bradford Council's revised nomination to the Overview & Scrutiny Committee and co-opts Councillor Carol Thirkill onto the committee in place of Councillor Joanne Dodds with immediate effect.
- (f) That the Combined Authority notes that the Executive Head of Economic Services is leaving the Combined Authority at the end of April and that a process for an internal interim replacement will follow.
- (g) That the Combined Authority notes that the title of Director of Resources has been changed to the Director of Corporate Services.

93. HS2 Consultation

The Combined Authority considered a report of the Director of Policy, Strategy and Communications which:

- Provided an update on the recent consultations from HS2 on their working draft Environmental Statement and working draft Equalities Impact Assessment.
- Informed Members about the Combined Authority response to the above consultations.

Resolved: That the final responses attached at Appendix 1 to the report be noted.

94. Minutes for Information

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

- Transport Committee held on 21 September 2018 & 9 November 2018
- Overview & Scrutiny Committee held on 16 November 2018
- Business Innovation & Growth Panel held on 27 November 2018 (Draft)
- Employment & Skills Panel held on 29 November 2018 (Draft)
- Inclusive Growth & Public Policy Panel held on 4 December 2018 (Draft)
- Investment Committee held on 5 December 2018 and 9 January 2019

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