

**Report to:** West Yorkshire and York Investment Committee

**Date:** 4 December 2019

**Subject:** **Capital Programme Update**

**Director:** Marc Cole, Interim Director of Delivery

**Author(s):** Lynn Cooper

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 update the Committee on progress made on the implementation of the West Yorkshire Combined Authority's capital programme. This report provides an update on the position on the Growth Deal spend and forecast as at Quarter 2 2019/20 and of the independent evaluation of the Growth Deal.

## 2 Information

### Growth Deal Programme

- 2.1 At the last meeting it was reported that quarter 2 spend on the Growth Deal programme was £17.17 million, 16.3% of forecast. Minor amendments have now been made following changes to the PIMS database. The revised actual spend is £17.36 million, 16.5% (detailed in the attached Growth Deal dashboard Appendix 1).
- 2.2 A concern now identified at the quarter 2 monitoring is that the forecast expenditure for 2019/20 has reduced to £86.52 million against a target of £105.40 million. The forecast at quarter 1 was on track but during quarter 2

there have been a number of reductions to forecast spend on individual Transport Fund projects.

- 2.3 Whilst there are reasons for some of these reductions (delays to land purchase, start on site etc) projects are generally progressing well the main reason for the reduction relates to issues of spend forecasts that were made at the beginning of 2019/20. There is an ongoing concern regarding expenditure forecasts across the whole of the Transport Fund and on some Housing and Regeneration projects. A full review is currently being undertaken by the Interim Director of Delivery which seeks to clarify the position and determine what actions are required to mitigate this risk. A more detailed report will be presented to the Investment Committee in January 2020.

### **Independent Evaluation of Growth Deal Interventions (Gateway Review)**

- 2.4 The final report on the independent review of the West Yorkshire plus Transport Fund, undertaken as part of the national evaluation of the Growth Deal by SQW has now been completed and provides a positive outcome to the review of the programme. The report will be submitted to Government along with a Complementary Report from the LEP Chair. This emphasises the positive progress of the Growth Deal programme (not just the Transport Fund) to date.
- 2.5 The LEP Chair and the Managing Director of the Combined Authority will attend a challenge session in relation to this evaluation on 14 January 2020. The session will be chaired by the Co-Director of the Cities and Local Growth Unit.
- 2.6 Following the challenge session, the Cities and Local Growth Unit will submit recommendations to Ministers based on the Gateway Review Report, Complementary Report and conclusions from the challenge session. Ministers will use these recommendations to make decisions on the future funding of the Transport Fund, commencing from 2021/22 for the Leeds City Region.

### **3 Financial implications**

- 3.1 Financial implications are included within the body of the report.

### **4 Staffing implications**

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

### **5 Legal implications**

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

### **6 External consultees**

- 6.1 No external consultations have been undertaken.

### **7 Recommendations**

7.1 It is recommended that the Investment Committee notes the progress report on the Growth Deal and the update on the Independent Evaluation of the Growth Deal programme.

## **8 Background documents**

8.1 None.

## **9 Appendices**

9.1 Appendix 1 – Growth Deal Dashboard Quarter 2 2019/20