

**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY 31 MARCH 2016 AT WELLINGTON HOUSE, LEEDS**

Present:	Cllr Peter Box (Chair)	-	Wakefield MDC
	Cllr Tim Swift (Dep Chair)	-	Calderdale MBC
	Cllr David Green	-	City of Bradford MDC
	Peter McBride	-	Kirklees MC
	Cllr Judith Blake	-	Leeds City Council
	Cllr Keith Aspden	-	City of York Council
	Cllr Stephen Baines	-	Conservative Representative (Calderdale MBC)
	Cllr Simon Cooke	-	Conservative Representative (City of Bradford MDC)
In attendance:	Cllr Keith Wakefield	-	Chair of WYCA Transport Committee
	Ben Still	-	WYCA
	Nick Winney	-	WYCA
	Angela Shearon	-	WYCA

76. Apologies for Absence

Apologies for absence were received from Councillors Andrew Carter (Leeds City Council), David Sheard (Kirklees MC), Jeannette Sunderland (Bradford) and Roger Marsh (Leeds City Region LEP).

77. Nick Winney

It was reported that it would be the last meeting for Nick Winney, Director of Legal Services, who would be leaving WYCA on 15 April to take up a new position.

Members thanked Nick for all his hard work during his time with WYCA and wished him well for the future.

78. Declarations of Disclosable Pecuniary Interests

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

79. Exclusion of the Press and Public

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

80. Minutes of the Meeting held on 4 February 2016

Resolved: That the minutes of the meeting of the WYCA held on 4 February 2016 be approved and signed by the Chair.

81. Implications of Government's 2016 Budget

The Authority considered a report setting out the implications of the Government's 2016 budget and the principal implications related to Combined Authority powers focusing on business rates, flooding and transport.

Business Rates

The Chancellor announced cuts for all business rate payers with most of the short-term benefit for small businesses and significant long-term benefits for large businesses. The government committed to compensating local authorities for the loss of income as a result of the cuts to business rates although there was no guarantee that the level of compensation would account for the full loss of business rate income and clarity would need to be sought on the detail.

Flooding

The Government committed a further £130m to repairing roads and bridges damaged by Storms Desmond and Eva on top of the £49m previously announced which would benefit, for example, Linton Bridge in Leeds, Scout Road in Calderdale and the A646 near Mytholmroyd. In addition, a further £700m would be added to the Government's flood defence capital programme by 2020 with maintenance spending to be increased by £40m.

Transport

The Chancellor committed support to the Northern Transport Strategy, developed by Transport for the North (TfN), including commitments to develop the following schemes using part of the £300m funding pot announced in November's Spending Review:-

- High Speed 3
- Upgrade of the M62 to a four-lane smart motorway
- Improvements to Leeds Station to capitalise on the benefits of HS2

Further announcements made included the bringing forward by 2 years of previously announced critical road projects, including Lofthouse junction and capacity enhancements to the M1 at junction 35a-39 (Rotherham to Wakefield); funding to improve local roads with £15m allocated from the Pothole Action Fund to repair around 277,000 potholes during 2016-17.

Resolved –

- (i) That the headline implications from the Government's 2016 budget be noted.
- (ii) That a further report be brought to a future meeting of the Combined Authority once further details of the implications of the budget are known.

82. Growth Deal Approvals

The Authority considered a report seeking approval to the gateway stages for Growth Deal schemes outlined in the submitted report and providing an update on projects within the Skills Capital, Resource Efficiency, Housing and Regeneration and the West Yorkshire Plus Transport Fund programmes within the Growth Deal.

Skills Capital Programme 16/17 – Leeds College of Building

The report provided details of the project to enable the Leeds College of Building to consolidate its estate to operate from two sites in Leeds to provide world class education and training facilities for students and the construction industry to meet the growing needs and skills gaps in the industry.

Approval was sought from the Authority, subject to completion of the appropriate due diligence and legal documentation, for grant funding of £14m, of which £2.1m would be repaid upon completion of the project.

Resource Efficiency (Pillar 3)

The report provided details of the project, which had been considered by WYCA's Investment Committee, to construct a new 6.4 kilometre District Heating Network (DHN) to connect the Recycling and Energy Recovery Facility in the Aire Valley to customers across the Leeds, the benefits of which would include tackling fuel poverty and a 40% reduction in carbon between 2005 and 2020.

The Authority were asked to consider the benefits of the project and an appropriate funding mechanism to support the £7m required by Leeds City Council to invest in the project, recognising the developing pipeline of other District Heat Networks.

Housing and Regeneration (Pillar 4) Programme, 2016/17 to 2020/21

It was reported that proposals for a 2016-17 Housing and Regeneration Programme had previously been considered by WYCA's Investment Committee and that,

following the appraisal of the business cases for the proposed projects and the conclusion of the SEP refresh, a detailed programme would be submitted to the Investment Committee for further consideration and future recommendation to the Combined Authority.

York Central Access and Station Masterplan Gateway 1

Members were provided with details of the scheme which would deliver a highly sustainable new central business district providing modern commercial floor space currently lacking in the city centre enabling businesses to grow and encouraging companies to relocate to York and the Leeds City Region and will deliver significant new homes.

Approval was sought to expenditure of £2.1m to progress the scheme through Gateway 1 to the next stage.

M62 Junction 24a

Approval was sought to additional expenditure of £70,000 to undertake an extended feasibility study into the economic, social and wider impacts of the scheme.

South East Bradford Link Road

Approval was sought to expenditure of £91,000 to undertake pre-feasibility work to re-evaluate the economic benefits of the original scheme and other potential route options.

A629 Phase 2

Approval was sought to progress the A629 Phase 2 through Gateway 1 and for the release of the remaining funding of £1,616,000 to cover the costs of developing the scheme from Gateway 1 through to Gateway 2.

Resolved:

- (i) That, subject to completion of the appropriate due diligence and legal documentation, grant funding of £14m to support the proposal from the Leeds College of Building, of which £2.1m will be repaid upon completion of the project, be approved.
- (ii) That the benefits of the Leeds District Heat Network be recognised and that the final decision on an appropriate funding mechanism for the £7m sought be delegated to the WYCA Director of Programme Delivery, in consultation with the Chair of the Investment Committee.
- (iii) That progression of York Central Access and Station Masterplan through Gateway 1 and the release of £2.1m to cover the costs of developing the scheme from Gateway 1 through to Gateway 2 be approved.

- (iv) That expenditure of £70,000 to progress the feasibility work to progress the M62 Junction 24a project to Gateway 1 be approved.
- (v) That expenditure of £91,000 for pre-feasibility work on the South East Bradford Link Road be approved.
- (vi) That progression of the A629 Phase 2 through Gateway 1 and the release of the remaining funding of £1,616,000 to cover the costs of developing the scheme from Gateway 1 through to Gateway 2 be approved.

83. Refresh of the Leeds City Region Strategic Economic Plan

The Authority considered a report seeking endorsement of the final draft of the refreshed Leeds City Region Strategic Economic Plan (SEP).

It was reported that the first SEP had been completed in March 2014 at the request of the Chancellor and was intended both as a statement of local economic ambition and policy and as a competitive bid document for a share of the government's £12bn Local Growth Fund. In September 2015, following recommendation by the LEP Board, the Combined Authority approved a review of the SEP two years on in order to re-assess the strategy in light of experience of project delivery to date and economic and political developments over that period. Work began in Autumn 2015 on reviewing the SEP which included:-

- an update and review of the economic evidence base underpinning the strategy;
- economic modelling both of the impact of LEP investments to date and of the expected economic impact of investments that it is recognised will happen over the next decade;
- extensive consultation with external stakeholders, business people, local authority partners and the public.

Members considered a first draft of the refreshed SEP at its February meeting, following which an amended version formed the basis of the consultation document. Changes suggested during the consultation exercise were incorporated into the latest version of the Plan, attached as Appendix B to the submitted report, which the Authority were asked to consider, together with the Executive Summary attached at Appendix A.

Resolved – That the draft Leeds City Region Strategic Economic Plan be endorsed as the overarching economic strategy of the Combined Authority.

84. Land and Assets Board Terms of Reference

The Authority considered a report seeking endorsement of the Terms of Reference for the Leeds City Region (LCR) Land and Assets Board.

The Authority had considered a report at its meeting on 20 November regarding the establishment of a Leeds City Region Land and Assets Board with the Government's Homes and Communities Agency (HCA) to jointly consider and make recommendations on the use, re-use and disposal of public sector land and assets, including rationalisation of the public estate. The aim of the Board being to identify suitable public sector land for development, taking a strategic view on the use of surplus public sector land whilst seeking to maximise the delivery of the LCR Strategic Economic Plan objectives and targets; particularly housing and economic growth.

The first meeting of the Board, held in February, had considered Terms of Reference which were appended to the submitted report and recommended to the WYCA for consideration.

Members considered the Terms of Reference and discussed the membership and political composition of the Board. It was reported that in determining membership, consideration had been given to ensuring both politically balanced and geographical representation.

Resolved –

- (i) That the draft Terms of Reference for the Leeds City Region Land and Assets Board, as set out in Appendix 1 of the submitted report, be endorsed.
- (ii) That the LEP Board be requested to consider clearly defining the political composition of the Land and Assets Board within the terms of reference.

85. Strategic Planning Update

The Authority considered a report providing an update of progress in implementing the Leeds City Region (LCR) Planning Review recommendations agreed by the West Yorkshire Combined Authority and seeking endorsement of relevant documents recommended for approval by the LCR Planning Portfolio Board.

The Planning Review had been undertaken in order to explore and develop options on the potential roles of the WYCA and Leeds City Region LEP in adding value to the Duty to Cooperate, planning processes and strategic planning. At its meeting on 17 September 2015, WYCA had endorsed thirty six Planning Review recommendations, which had been made with a view to adding value to existing local priorities and policies, and had been developed and put forward for approval by the LCR Planning Portfolios Board.

Members considered the report which provided an update on progress in implementing the Planning Review recommendations six months on and set out a summary of progress within each of the following workstreams:

- WYCA/LEP Compliance with the Duty
- WYCA/LEP Involvement with Planning Applications
- WYCA/LEP Input into Local Plans

It was noted that significant progress had been made across all of the recommendations. Joint working on LCR housing and employment requirements together with Duty to Cooperate processes had proved to be robust after being tested at both the Leeds and Bradford Local Plan Inquiries.

Members were also asked to consider the LCR Planning Charter, the LCR Statement of Cooperation for Local Plans and the draft West Yorkshire Local Aggregates Assessment which had been recommended for approval by the LCR Planning Portfolios Board and were appended to the report.

Resolved –

- (i) That the progress made over the past 6 months in implementing the recommendations of the LCR Strategic Planning Review be noted.
- (ii) That the revised LCR Planning Charter, as detailed in Appendix 2 of the submitted report, be endorsed.
- (iii) That the revised LCR Statement of Co-operation for Local Plans, as detailed in Appendix 3 of the submitted report, be endorsed.
- (iv) That the draft West Yorkshire Local Aggregates Assessment, as detailed in paragraph 3.16 of the submitted report, be noted.

86. WYCA Planning Consultations

The Authority considered a report regarding two planning consultations as part of the West Yorkshire Combined Authority's role under the Duty to Co-operate.

In line with the recommendation of the LCR Planning Review, endorsed by WYCA in September 2015, the Authority had been consulted on the Kirklees Local Plan and on a major planning application in Calderdale. The report provided members with details on each of the planning applications.

Kirklees Draft Local Plan Consultation

It was reported that Kirklees Council had consulted WYCA in February 2016 on the Kirklees Local Plan and a response had been submitted within the required period to meet the Council's consultation deadline. A copy of the response submitted was attached at Appendix A to the report for information.

Calderdale Planning Application Consultation (Cummings Turbo Technologies)

WYCA had been consulted on 10 March by Calderdale Council on a planning application by Cummings Turbo Technologies for a proposed new manufacturing facility at Ainley Top, Calderdale. Members were asked to consider the proposed WYCA response set out in Appendix 2.

Resolved –

- (i) That the response to Kirklees Council on the Kirklees Local Plan consultation, as detailed in Appendix 1 of the submitted report, be supported.
- (ii) That the proposed response to Calderdale Council, as detailed in Appendix 2 of the submitted report, in relation to the Cummings Turbo Technologies manufacturing plant planning proposals be endorsed.

87. Transport Priorities and Transport for the North (TfN)

The Committee considered a report summarising recent progress with Transport for the North and priorities in respect of the future role of Transport for the North as a Sub National Transport Body.

The report set out the key messages in the recently published Transport for the North (TfN) report.

It was noted that Lord Adonis, as Chair of the National Infrastructure Commission, had published a report on rail connectivity between major cities in the north, which recognised the need for immediate and significant investment in the North and a plan for longer-term transformation to reduce journey times, increase capacity and improve reliability. The report also recommended the kick-starting of HS3, bringing forward of investment to boost capacity on the M62 and recognised the benefits of upgrading the Calder Valley route. Members suggested that it would be beneficial to invite Lord Adonis to a future meeting of WYCA to pick up on some of the issues outlined in his report.

Members discussed the ambitions of the Leeds City Region in the context of its role in the Northern Powerhouse and supported the six key messages set out in the report which had been identified by WYCA's Transport Committee. Members agreed that it was of paramount importance to set out a consistent and clear narrative to influence the northern and national agenda and to have a clearly defined list of regional priorities which could be delivered through Transport for the North, namely:-

- A Northern Powerhouse rail network that radically improves journey times and frequencies without causing a detriment to the existing network;
- A full review of Strategic Highway Network priorities, recognising the importance of the M62 and M1 to the Leeds City Region;

- Improved surface access to Manchester and Leeds/Bradford Airports that offer businesses more international destinations;
- Significant improvements to road and rail to transform the distribution network;
- Smart ticketing and fare simplification with LCR leading the way;
- LCR schemes that have pan-northern benefits are prioritised and supported.

Resolved:

- (i) That the report be noted.
- (ii) That the key messages and priorities set out in the report be endorsed.
- (iii) That work should continue to identify the priorities of the Leeds City Region and to make the case for economic investment in the north.
- (iv) That Lord Adonis, Chair of the National Infrastructure Commission, be invited to a future meeting of the Authority.

88. Minimum Standards Charter for Construction Industry Employees

The Committee considered a report regarding the Minimum Standards Charter for employees in the construction industry.

It was reported that the constituent West Yorkshire authorities were signing up to a Minimum Standards Charter with a view to encouraging the adoption and adherence to a set of minimum standards of employment on construction projects procured by their authorities.

Members discussed the benefits of supporting the Charter and broadly supported the principles but felt that it would be useful to have more information on the implications for tendering and procurement and the effect on smaller contractors.

Resolved:

- (i) That the principles of the Minimum Standards Charter be supported, namely:
 - the Authority will adopt the minimum standards in all construction projects procured;
 - underlines that Health & Safety of workers is paramount, and that appropriate welfare facilities should be provided;
 - expects that skilled operatives are used in order to achieve the high standard finished product that is demanded;
 - expects major contractors to offer apprenticeships to the youth of the city region, and generally supports initiatives to improve the education/training of construction employers and employees;

- reiterates the belief that workers should be fairly rewarded, and should be entitled to holiday, sickness, pension, accident compensation and death in service rights; and
- promotes the vital role of trade unions, including inviting construction employers to agree to employ operatives under the terms and conditions of relevant national agreements.

(ii) That a further report be brought to a future meeting of the Authority.

89. Organisational Arrangements

The Committee considered a report seeking approval to a number of organisational and control matters.

Internal Audit Plan 2016/17

Members were asked to consider the Internal Audit Plan 2016/17 which had been endorsed by the Governance & Audit Committee and was attached to the report as Appendix A.

Further Budget Approvals

Members were asked to consider approval of expenditure in relation to further funding secured since the budget was agreed in February, namely £6m for the Business Growth Programme, £15.7m for the Access to Capital Grants programme, £625k for the LEP Growth Service and £62k for the Better Homes project.

Treasury Management

In order to manage the expected increase in cash balances upon receipt of Growth Deal funding, and recognising some stresses in the economic markets, changes were proposed to increase flexibility in managing cash by increasing the time limits for investment with local authorities to three years with up to £20 maturing in each of the next three years.

European Investment Bank

Approval was sought for the Director of Resources to enter into an agreement with the European Investment Bank for a facility of £100m, providing a flexible alternative to the usual Public Works Loan Board borrowing, that would be required to fund the Transport Fund in future years.

Monitoring Officer

The Authority is required by law to designate an officer as the statutory Monitoring Officer with the post of Assistant Director Legal currently fulfilling this obligation. Following the resignation of the Assistant Director Legal (re-named Head of Legal and Democratic Services), it is proposed that the Managing Director as Head of Paid

Service be the designated Monitoring Officer of the Authority from the date upon which the current Assistant Director Legal leaves that post until the date upon which the post is filled following recruitment.

Committee Arrangements

Members were asked to consider the request made by the Overview and Scrutiny Committee for the Chair to be given permission to speak at meetings of the Combined Authority in order to share any views of the Committee.

Resolved:

- (i) That the internal audit plan for 2016/17 be approved.
- (ii) That further budget approvals be approved as follows:
 - a further £6m for the business growth programme in 2016/17;
 - £15.7m for the Access to Capital Grants programme;
 - a further £625k for the LEP Growth Service;
 - a further £62k for the Better Homes project.
- (iii) That the treasury management arrangements be amended, as set out in paragraph 2.7 of the submitted report, to enable longer term investments to be placed with local authorities.
- (iv) That the Director, Resources be authorised to enter into a facility with the European Investment Bank to the value of £100m which would enable WYCA to undertake disbursements over a five year term.
- (v) That the Managing Director as Head of Paid Service be the designated Monitoring Officer of the Authority from the date upon which the current Assistant Director Legal leaves that post until the date upon which the post is filled following recruitment.
- (vi) That upon commencement of employment, the new Head of Legal and Democratic Services become the designated Monitoring Officer of the Authority.
- (vii) That the Chair of the Overview and Scrutiny Committee be invited to attend future meetings of the Combined Authority to present the views and recommendations of the Committee.

90. Feedback from Combined Authority Spokespersons Representing the WYCA on External Bodies

Councillor Wakefield provided members with feedback from meetings of Transport for the North and the Rail North Partnership Board which he had attended on 25 February.

Resolved: Members noted the update provided by Councillor Keith Wakefield of the meetings of Transport for the North and the Rail North Partnership Board which he had attended on 25 February.

91. Draft minutes of the meeting of the Governance & Audit Committee held on 9 February 2016

Resolved: That the draft minutes of the meeting of the Governance & Audit Committee held on 9 February 2016 be noted.

92. Draft minutes of the meeting of the Overview & Scrutiny Committee held on 16 February 2016

Resolved: That the draft minutes of the Overview & Scrutiny Committee held on 16 February 2016 be noted.

93. Draft minutes of the meeting of the Transport Committee held on 26 February 2016

Resolved: That the draft minutes of the meeting of the Transport Committee held on 26 February 2016 be noted.