

**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY 29 SEPTEMBER 2016 AT WELLINGTON HOUSE, LEEDS**

Present:	Cllr Peter Box (Chair)	-	Wakefield MDC
	Cllr Tim Swift (Vice Chair)	-	Calderdale MBC
	Cllr Susan Hinchcliffe	-	City of Bradford MDC
	Cllr David Sheard	-	Kirklees Council
	Cllr Judith Blake	-	Leeds City Council
	Cllr Stewart Golton	-	Liberal Democrat Representative (Leeds City Council)
	Cllr Keith Aspden	-	City of York Council
	Roger Marsh	-	Leeds City Region LEP
In attendance:	Ben Still	-	WYCA
	Caroline Allen	-	WYCA
	Angie Shearon	-	WYCA

41. Apologies for Absence

Apologies for absence were received from Councillors Andrew Carter, Simon Cooke and Jeanette Sunderland.

42. Declarations of Disclosable Pecuniary Interests

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

43. Minutes of the Meeting held on 28 July 2016

Resolved: That the minutes of the meeting of the WYCA held on 28 July 2016 be approved and signed by the Chair.

44. Project and Spending Approvals

The Authority considered a report of the Director of Resources seeking the progression of, and approval of funding for, schemes from the West Yorkshire plus Transport Fund and the Local Growth Fund.

The report provided details of the projects considered by the Investment Committee on 7 September which were recommended to WYCA for progression and approval of funding. The report mapped each of the projects across to the new Project Management Office (PMO) process.

Resolved: That progression of, and funding for, schemes from the West Yorkshire plus Transport Fund and Local Growth Fund be approved as follows, with a decision on the final details on terms and conditions of the individual approvals to be delegated to the Managing Director:

- (i) £400k to develop the Leeds Station (Yorkshire Hub) Development - Reference Case Masterplan project.
- (ii) £130k to progress Mirfield to Dewsbury to Leeds (A653) corridor.
- (iii) £500k for feasibility works on East Leeds Parkway at Thorpe Park.
- (iv) £160k for Halifax Station Gateway.
- (v) £1.1m grant investment for Wakefield Civic Quarter site acquisition.
- (vi) £4.8m grant for the One City Park in Bradford.
- (vii) New Bolton Woods – part of the Bradford-Shipley Road Corridor, progressing from outline to full business case.
- (viii) In principle support to a £33.4m grant and £8.8m loan for Leeds City College.
- (ix) £1.0112m grant for Tackling Fuel Poverty Programme Phase 2.
- (x) A loan of £1m to LL309.

45. WYCA Medium Term Financial Strategy

The Authority considered a report of the Director of Resources regarding the budget process for 2017/18, the development of the medium term financial strategy and additions to the agreed budget following the award of further funding to the region.

It was reported that work was ongoing to produce a detailed budget for 2017/18 aligned with the priorities identified through the Strategic Economic Plan (SEP). The budget would need to be approved at the February meeting of the WYCA.

Members noted that work was underway to update the medium term financial strategy to ensure that funding available may be used to best effect in delivering its priorities for economic growth. It was acknowledged that there were significant challenges to address with increasing workloads for the Authority to support the growing agenda of activity including devolution and Transport for the North at a time

of pressure on local government funding. Early discussions with District Councils had also identified a requirement for WYCA to look at options for cutting services in order to reduce the transport levy. WYCA would be looking at the resources available and streamlining those resources and sharing costs where possible. Work was also required on the West Yorkshire plus Transport Fund to identify the extent of local funding required to support borrowing and to understand the growth of new business in the Enterprise Zone and the timing of how this translated to business rates income.

It was proposed that a further report be prepared for the Authority meeting of 1 December outlining the proposed budget for 2017/18 and addressing the issues set out above.

Resolved:

- (i) That WYCA note the process for the 2017/18 budget as set out in the submitted report.
- (ii) That WYCA note the work to date on the Medium Term Financial Strategy.
- (iii) That WYCA approve further budgets of £150k for the Enterprise Adviser Continuation Phase 1 and £192k for Strategic Heat Networks, funded as set out in the submitted report.

46. Implications of the vote to leave the European Union

The Authority considered a report of the Director of Policy, Strategy and Communications providing members with further information on the implications of the UK's vote to leave the European Union (EU).

In July, WYCA and the LEP approved a high-level joint Plan to provide a calm and measured approach to the decision to exit the EU in order to underpin investor and consumer confidence. The Plan covered short, medium and long-term issues which were considered to be best addressed at the city region level with close liaison with local partners such as universities, councils and business groups.

Members acknowledged that the UK's exit from Europe would present opportunities as well as some difficulties and discussed developments with Brexit over the summer, making the following observations:

- There had been very little further information from Government about the timing of Britain's exit from the EU, or what the outcome might mean for free trade and the movement of people.
- There had been no announcements of large scale job losses, although intelligence suggested that some contracts for overseas workers to come and work in the UK may have been withdrawn due to uncertainty in the job

market. It was acknowledged that there were particular skills shortages in the UK which needed to be addressed, for instance in the health sector.

- There had been a relatively calm economic reaction with no immediate recession, although it was projected that long-term growth would be lower than had the UK remained a member of the EU. It was acknowledged, however that there may be economic turbulence once Article 50 was triggered.
- Communities, local councils and employers continued to recognise the valuable contributions made to the city region by people of all nationalities and, although reports of hostility resulting from tensions had been limited, such crimes continued to be addressed swiftly.

European Funding

Members discussed the importance of securing the repatriation of European funding locally and felt that it was imperative that, once discussions commenced with government on the redistribution of funding, WYCA had a seat at the table.

Members were pleased to note that in August, HM Treasury had provided an assurance that all European Structural and Investment Fund (ESIF) projects under contract ahead of the Autumn Statement would be fully funded even if those projects were to continue beyond the UK's departure from the EU

In July 2015, WYCA had agreed to be the Urban Authority (UA) and take on intermediate Body (IB) status to be able to receive delegated authority from government for a Sustainable Urban Development (SUD) Strategy. Members noted that there had been renewed impetus from the Department for Communities and Local Government (DCLG) for SUD strategies to be agreed by the end of September 2016 and for IB status with the UA to be in place by early December largely because SUD was an EU regulatory obligation and therefore potentially more secure than ESIF funding.

Members discussed the response of city region partners in response to Brexit and felt it would be useful to convene a meeting involving representatives of the business community, health sector and universities and colleges to understand their interests and concerns.

Members noted that the short-term responses set out in the Plan had been completed and the medium-term actions were being developed, including helping growth sectors exploit new international opportunities and for exports to exploit the weak pound.

Resolved:

- (i) That the latest update of the joint CA/LEP plan to respond to the vote to leave the EU be noted.
- (ii) That authority be delegated to WYCA's Managing Director to finalise and agree, in conjunction with the Head of Legal and Democratic Services, the Legal Agreement with the Department for Communities and Local Government for Intermediate Body status, and commence operations as required.
- (iii) That a joint meeting be arranged with city region partners, including representative of the business community, health sector and universities and colleges to discuss their respective interests and concerns regarding the implications of leaving Europe.

47. Devolution

The Authority considered a report of the Director of Policy, Strategy and Communications on progress to secure the devolution of further powers and budgets away from Whitehall and Westminster to Leeds City Region (LCR), building on the first stage deal secured in 2015.

Members discussed progress made to date in securing a devolution deal and also the impact of recent events on progress, including the changes to the Government ministerial line up following the EU referendum. It was recognised that, in the absence of a clear steer on national policy over the summer, eg on the Northern Powerhouse and English Devolution, there had been some press speculation about a potential shift in Government policy on the requirement for directly elected Mayors in return for devolution.

Members welcomed the Prime Minister's confirmation of her Government's support for the Northern Powerhouse which the Leeds City Region wished to be a part of and help to shape.

Members re-affirmed their commitment to secure a devolution deal for the City Region and proposed, ahead of the Autumn Statement on 23 November 2016, to seek to progress discussions with officials and Ministers on the terms of a devolution deal, including seeking clarity on the following:

- that the ambition of WYCA and Leeds City Region Enterprise Partnership be matched by Government's commitment to devolve substantive powers and funding to local areas;
- the Government's position regarding the geographic area for devolution to the City Region; and

- the most appropriate model of Governance required in order to provide local accountability for powers and funding devolved from Whitehall and Westminster.

Resolved:

- (i) That the progress made to secure a devolution deal and the impact of recent events, including the changes to the Government ministerial line up following the EU referendum, be noted.
- (ii) That, ahead of the Autumn statement, WYCA should seek to progress discussions with officials and Ministers on the terms of any devolution deal.

48. One Organisation Programme

The Authority considered a report of WYCA's Managing Director providing an update on the One Organisation programme (the change programme for the WYCA officer body) and seeking approval to two director appointments.

The report provided a six monthly update on the One Organisation change programme and a detailed update on priority projects as set out in paragraph 2.4. Members discussed progress with the One Organisation programme and particularly welcomed the increased focus on delivery.

It was reported that, following a recruitment and selection exercise, the following appointments were recommend to WYCA for approval:

- Dave Pearson - Director of Transport Services
- Melanie Corcoran – Director of Delivery

It was further report that Sue Cooke had been appointed to the post of Executive Head of Economic Services and that external recruitment was underway for the post of Head of Communications.

Resolved:

- (i) That the progress made so far with the One Organisation Programme be noted.
- (ii) That the appointment of Dave Pearson to the post of Director of Transport Services with effect from 1 October 2016 and the appointment of Melanie Corcoran to the post of Director of Delivery, with a start date to be delegated to the Managing Director, be approved.
- (iii) That the appointment of the Executive Head of Economic Services be noted.

- (iv) That it be noted that external recruitment to the post of Head of Communications had commenced.

49. WYCA Appointments to Overview & Scrutiny Committee

The Authority considered a report of the Director of Resources seeking approval to a change in nomination by the City of York Council to the Overview & Scrutiny Committee

On 20 September, the City of York Council notified WYCA's Monitoring Officer of their wish to replace Councillor Helen Douglas with Councillor Jenny Brooks.

Resolved: That the Authority note the City of York Council's revised nomination to the Overview & Scrutiny Committee and co-opt Councillor Jenny Brooks onto the committee in place of Councillor Helen Douglas.

50. WYCA Overview & Scrutiny Flood Response

The Authority considered a report of the Director of Policy, Strategy and Communications seeking endorsement to the recommendations of WYCA's Overview & Scrutiny Committee regarding their investigation into the 2015 Boxing Day Floods.

Members discussed the progress made both nationally and regionally in response to the 2015 Boxing Day Flood events and the impact on businesses, residential properties, critical infrastructure and jobs. The economic and social impacts of the floods had been significant running into several hundred millions. Actual costs would need to be fully calculated in order to build a case for future investment and identify funding gaps for investment in flood defences and green infrastructure whilst taking account of whole catchment areas. Concern was expressed that some areas remained very exposed to the risk of flooding. Members considered the potential to make better use of infrastructure in readiness for future winters; for example, exploring how reservoirs could help mitigate the risk of flooding together with other Green Infrastructure measures such as land management in upper river catchments.

Members were keen to ensure that, despite a change in government Minister, the events of the Boxing Day floods on the Leeds City Region were not forgotten. A letter had been sent to the Rt Hon Andrea Leadson MP, Secretary of State for DEFRA, and responsible minister for planning and responding to flood risk and flood events, inviting her to visit the Leeds City Region and her response was awaited. Members considered that it was important that the Government funding commitments, made following the Boxing Day floods, to support flood alleviation and mitigation measures in the Leeds City Region continue to be honoured.

It was reported that, against the national and regional context, WYCA's Overview & Scrutiny Committee had, along with senior representatives from Yorkshire Water

and the Environment Agency, considered the broad range of issues relating to the Boxing Day Flood events. Arising out of their discussions, the Committee had formulated a list of recommendations which were set out in the Addendum to the report.

Members considered the recommendations of the Committee which, it was suggested, could be incorporated into the LCR Flood Review, commissioned by WYCA earlier in the year, and which was now nearing completion. The outcome of the LCR Flood Review would be reported to WYCA at their meeting on 1 December.

Resolved:

- (i) That the Overview and Scrutiny Committee's recommendations in response to the 2015 Boxing Day Flood events, as set out in the Addendum to the submitted report, be endorsed.
- (ii) That the recommendations of the Overview & Scrutiny Committee, and proposed associated actions, be considered within the LCR Flood Review.
- (iii) That WYCA considers with Yorkshire Water the potential contribution that upland land management and their reservoirs could make to reducing future flood risk in winter.

51. Response to consultation on 100% Business Rates Retention

The Authority considered a report of the Director of Policy, Strategy and Communications advising of the joint WYCA and Local Enterprise Partnership (LEP) submission to the Government consultation on 100% business rates retention.

The report provided information on the joint WYCA and LEP response to the Department for Communities and Local Government's (DCLG) consultation on retained business rates which had been developed over the summer and submitted by the deadline of 26 September. A copy of the response was attached to the submitted report.

Whilst the retention of business rates was welcomed, members were keen to ensure it was accompanied by a fair funding mechanism and national redistribution to match local need. Members expressed concern that there had been no detail of how the process would be implemented at a local level and how local councils would be able to manage the further responsibilities arising from it.

Resolved: That the joint WYCA/LEP response to the Government's consultation be noted.

52. Governance Update

The Authority considered a report of the Head of Legal & Democratic Services providing an update on the progress of an Order anticipated to affect WYCA governance arrangements in relation to overview and scrutiny, audit committee and access to information arrangements.

The Cities and Local Government and Devolution Act 2016 placed the overview and scrutiny arrangements, and audit committee arrangements of combined authorities on a statutory footing. For WYCA, the impact had principally been on the membership of the governance and audit committee, which may no longer include co-opted members. The Secretary of State had now indicated that a further Order may affect current arrangements further. Paragraph 2.4 of the submitted report set out the principles which the Department for Communities and Local Government (DCLG) have indicated will underpin any Order.

In terms of the impact on WYCA, it was noted that none of the proposals conflicted with current WYCA practices and arrangements, with the exception of the requirement to appoint an independent person to an audit committee.

The DCLG have not confirmed when any Order will be made, but it was understood that they were aiming to have it in place by spring 2017.

Resolved: That the approach of the Secretary of State in relation to the draft Order, as set out in the submitted report, be noted.

53. City of York Council Local Plan Consultation

The Authority considered a report of the Director of Policy, Strategy and Communications providing information of WYCA's response in support of the City of York Council's Local Plan under WYCA's Duty to Co-operate role.

The City of York Council had consulted WYCA in July 2016 on their Local Plan which had outlined the proposed housing and employment growth requirements for York and proposed preferred strategic site allocations to deliver that growth. The Plan set out a target for 841 net additional homes per annum and an employment land supply requirement of 33.3 hectares which supported the City Region's Strategic Economic Plan (SEP) aspirations to increase housing delivery and create additional jobs. The draft Plan also identified a series of 'Green Wedges' across York which would make an important contribution to the Green Infrastructure network across the City Region and support delivery of Priority 4 (Clean Energy and Environmental Resilience) of the SEP.

Members noted that the response which had been submitted by WYCA in accordance with the City of York Council's deadline and which was appended to the submitted report, had confirmed that York's 'Preferred Sites' consultation was

aligned with the SEP and provided support for the SEP's Spatial Priority Area at York Central and other major growth areas.

Resolved:

- (i) That the response to the City of York Local Plan consultation as set out in Appendix 1 of the submitted report be supported.

54. Draft minutes of the meeting of the Overview & Scrutiny Committee held on 13 July 2016

Resolved: That the draft minutes of the meeting of the Overview & Scrutiny Committee held on 13 July 2016 be noted.

55. Draft Minutes of the meeting of the Governance & Audit Committee held on 28 July 2016

Resolved: That the draft minutes of the meeting of the Governance & Audit Committee held on 28 July 2016 be noted.

56. Draft Minutes of the meeting of the West Yorkshire & York Investment Committee held on 7 September 2016

Resolved: That the draft minutes of the meeting of the West Yorkshire & York Investment Committee held on 28 July 2016 be noted.