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**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY 1 DECEMBER 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 Andrew Carter	-	Conservative Representative (Leeds City Council)
	Cllr Simon Cooke	-	Conservative Representative (City of Bradford MDC)
	Cllr Jeanette Sunderland	-	Liberal Democrat Representative (City of Bradford MDC)
	Roger Marsh	-	Leeds City Region LEP
In attendance:	Cllr Keith Wakefield	-	Chair, WYCA Transport Committee
	Ben Still	-	WYCA
	Caroline Allen	-	WYCA
	Angie Shearon	-	WYCA

57. Apologies for Absence

Apologies for absence were received from Councillors Keith Aspden and David Carr.

58. Declarations of Disclosable Pecuniary Interests

Roger Marsh declared an interest (not comprising a Disclosable Pecuniary Interest) in Agenda Item 5 (Project Approvals and Inclusion of York in the West Yorkshire Plus Transport Fund), paragraph 4.3 (University of Leeds – Nexus (University Innovation and Enterprise Centre)) stating that he was a member of the University of Leeds Council.

Councillor Simon Cooke declared an interest (not comprising a Disclosable Pecuniary Interest) in Agenda Item 7 (Leeds City Region Flood Review) as a member of Elland Car Co.

59. 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 Agenda Item 17 (Transport for the North Rail Priorities) 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.

60. Agenda Item 18 – Better Homes Update

Resolved: That consideration of the report be deferred to a future meeting of WYCA to enable further work to be carried out on the detail of the report.

61. Minutes of the Meeting held on 29 September 2016

Resolved: That the minutes of the meeting of the WYCA held on 29 September 2016 be approved and signed by the Chair.

62. Project Approvals and Inclusion of York in the West Yorkshire Plus Transport Fund

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

Project Approvals

The report provided details of the projects which had been considered by the Investment Committee on 9 November and 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.

Inclusion of York in the West Yorkshire Plus Transport Fund

It was reported that given that York were not full members of the West Yorkshire Combined Authority and in order to progress two York schemes within the Fund, it would be necessary to enter into a funding agreement with them. The City of York Council's WYCA member, although unable to be present at the meeting, welcomed the recommendation of WYCA's Investment Committee that York be included in the Fund and would be seeking formal approval to the arrangements. It was proposed that final details of the agreement be delegated to WYCA's Managing Director.

Resolved:

- (i) 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:-
- progression of the West Yorkshire & York Broadband Coverage Phase 3 project to full business case for Growth Deal funding;
 - progression of the Leeds Enterprise Zone Power Solution scheme to full business case for Growth Deal funding;
 - the full business case and funding for the Leeds City College, Quarry Hill project with grant funding of up to £33.4m (with £10m to be spent in 2016/17) and a cash flow (loan) facility of up to £8.8m. The funding package would be subject to addressing the outstanding risks set out in the report and subsequent legal negotiations, including the requirement for the College to repay to the Authority any asset surplus realised from the three assets to be disposed of as part of the project.
- (ii) That approval be given to WYCA entering into a funding agreement with the City of York Council regarding their partnership in the West Yorkshire Plus Transport Fund, and that the detail of the funding agreement be approved through delegation to the Managing Director.
- (iii) That WYCA note the recommendation of the Investment Committee on 9 November 2016 to delegate progression and associated funding for the following projects to WYCA's Managing Director:
- Urban Traffic Management Control (UTMC) Centre
 - Wakefield City Centre Package
 - Tackling Fuel Poverty Phase 3
 - York Guildhall
 - University of Leeds – Nexus (University Innovation and Enterprise Centre)
 - LCR Flood Alleviation for Growth Programme
 - Bradford Forster Square
 - East Leeds Orbital Road

63. One Public Estate

The Authority considered a report of the Director of Policy, Strategy & Communications providing an update on the One Public Estate Programme.

The report set out details of the One Public Estate programme, an initiative designed to facilitate and enable local authorities to work successfully with central government and local agencies on public property and land issues through sharing and collaboration. It was noted that WYCA had already bid for, and successfully been awarded, £380,000 from the programme and had now submitted a bid for a further £712,000 under Phase 5 of the programme. A decision on bids for Phase 5 funding was expected in January 2017.

Members discussed the mechanism for approving individual allocations to projects and the approval of projects within any future phases of the One Public Estate programme.

Resolved:

- (i) That the WYCA One Public Estate Programme be approved, consisting of £330,000 confirmed for Phase 4 and that the £712,500 requested for Phase 5, and that any submissions to further phases, be supported.
- (ii) That WYCA's Managing Director use his existing delegated authority to approve individual allocations to projects within the Phase 4 WYCA One Public Estate programme.
- (iii) That WYCA's Managing Director use his existing delegated authority to approve projects within any future phases of the One Public Estate Programme, providing that the value of each phase was less than £1m.

64. Leeds City Region Flood Review

The Authority considered a report of the Director of Policy, Strategy and Communications on the findings of the Leeds City Region Flood Review which had been commissioned by WYCA's Leaders in response to the 2015 Boxing Day floods recognising that the greater frequency and severity of future floods was likely to be inevitable due to climate change.

The report set out details of the scope and remit of the Review to better understand the causes and impacts of the flooding and to develop actions which, when implemented, would reduce the likelihood and impacts of future flooding and enable more effective and joined up response and recovery phases to be put in place. The key findings of the Review were detailed in the report along with 19 strategic recommendations to address the issues identified. Members discussed in detail the key recommendations of the Review.

It was recognised that it was crucial that WYCA, the local authorities and the Environment Agency adopt better and more collaborative ways of working. A multi-partner officer group, reporting directly to WYCA, had been set up to oversee the work programme identified as a result of the Review and to implement the recommendations. Alongside this, work was also underway to develop a long-term

City Region Flood Resilience and Investment Delivery Plan. The final report of the Flood Review was still in production and would be circulated to members upon completion.

Resolved:

- (i) That the key findings of the Leeds City Region Flood Review be noted.
- (ii) That the feedback provided by members be noted.
- (iii) That, once finalised, the report of the Leeds City Region Flood Review be circulated to members and that thereafter the Chair be delegated authority to sign-off the final report in liaison with the Managing Director.
- (iv) That the need for additional funding of at least £5m per annum over the next 5 years to enable and bring forward flood mitigation schemes to protect more homes, businesses and communities earlier, be noted.
- (v) That WYCA be kept updated on progress by the City Region Flood Resilience Group with implementing the recommendations of the Leeds City Region Flood Review.

65. Creating Local Jobs through Major Capital Schemes

The Authority considered a report of the Executive Head of Economic Services seeking approval to a proactive and consistent approach to embedding employment and skills outcomes in the procurement of major infrastructure schemes including the West Yorkshire Transport Fund.

WYCA had been working with the Joseph Rowntree Foundation's "More Jobs, Better Jobs" project to support WYCA's coordinating role in the development of a Leeds City Region approach to maximising jobs, skills and poverty reduction through the procurement of major capital schemes and had developed a policy statement, appended to the report, which built on existing good practices in local authorities. It was noted that, following advice from the LEP Board, the proposed policy statement had been reviewed by WYCA's legal advisers who had confirmed its legal compliance.

Members discussed the importance of ensuring that discussions take place with Further Education colleges, Higher Education and other skills providers to identify possible skills gaps, the potential for re-training the workforce and the impact which a hard Brexit may have on skills and the migrant workforce. It was reported that the Leeds City Region Employment & Skills Plan had addressed some of those issues and work to identify potential Brexit implications would add further context to the latter.

Resolved:

- (i) That a consistent approach be taken to embedding employment and skills outcomes in the procurement of major schemes by the West Yorkshire Combined Authority and that the scoring criteria and contract clauses developed for the West Yorkshire Transport Fund be used for the procurement of all major schemes by WYCA.
- (ii) That the draft “policy statement” for embedding jobs and skills in the delivery of major capital schemes across Leeds City Region be approved subject to the following amendment:-

Page 3, penultimate paragraph – at the end of the second sentence starting with “This will include ...” insert the words “regardless of their geographical base or origin”.

66. Developing the LCR Strategic Economic Plan : Ensuring Good Growth Benefits All

The Authority considered a report of the Managing Director concerning inclusive growth in the context of the LCR Strategic Economic Plan (SEP).

In recognition of the importance of good/inclusive growth, the report summarised various strands of work underway across the city region on the work-stream proposed in the WYCA/LEP joint Brexit Action Plan to support a cohesive society by overcoming the disconnection between communities and national politics.

It was reported that the Royal Society of Arts (RSA’s) Commission on Inclusive Growth had carried out a ‘deep dive’ of issues and successes in Bradford, involving the West Yorkshire and York authorities, which focussed on how inclusive growth may be achieved and that it was proposed to hold an RSA/Leeds City Region event in Bradford in early 2017 to mark the launch of the final RSA report.

The report also set out plans for a collaborative project across public and private partners to better enable the city region to capitalise on new opportunities and achieve the SEP’s outcomes making good growth real for residents.

Members commented that in light of the government’s commitment to see inclusive growth, it was important for the Leeds City Region to demonstrate how it could support the government’s agenda and influence the outcome. Affordable housing, transport links and health were all vital to help people succeed.

Resolved:

- (i) That the outline project set out in the submitted report, which would be accountable to WYCA and the LEP Board, be endorsed.

- (ii) That, following on from the RSA's Inclusive Growth Commission and its deep-dive of the issues and successes in Bradford, WYCA confirm its support for an RSA/Leeds City Region-led national conference in Bradford on inclusive/good growth.

67. City Region Response to Brexit

The Authority considered a report of the Director of Policy, Strategy and Communications concerning implications for the city region economy following the vote to leave the European Union.

Members discussed the evolving implications of the UK's vote to leave the EU. It was acknowledged that, whilst the City Region economy continued to perform well, there was no room for complacency and the City Region should be ready to react to any changes either as a result of Brexit or other potential changes to global trade as a result of the US election. Key to this was maintaining close working relationships with businesses and further education establishments and focussing on maximising opportunities for businesses. Repatriation of European funding locally also remained a key concern.

The report highlighted several potential issues and explored the financial and policy changes which WYCA may wish to make in response and the potential for flexibility in the LEP's current programmes to address particular risks which may emerge as the UK prepares to exit Europe. Members asked that they be provided with clarification on the flexibilities referred to in paragraph 2.8 of the submitted report.

Resolved:

- (i) That the contents of the report be noted.
- (ii) That WYCA continue to monitor the evolving global situation and its impacts on the Leeds City Region economy.
- (iii) That a note be circulated to members clarifying the flexibilities to be sought and that authority be delegated to WYCA's Managing Director, with the agreement of the LEP Chair, to implement those flexibilities as necessary should circumstances demand urgent action to secure the health of the city region economy.

68. Implications of the Autumn Statement for the City Region

The Authority considered a report of the Director of Policy, Strategy and Communications regarding the 2016 Autumn Statement.

It was noted that WYCA had been active in seeking to shape the government's approach to the Autumn Statement by making a submission covering the city region's major investment priorities, a copy of which was appended to the report. In

addition, WYCA continued to seek devolved powers and was calling on government to provide assurances around European funding in light of Brexit.

Members were provided with a brief outline of the headline announcements in the Chancellor's Autumn Statement made on 23 November and discussed its effects on the city region economy.

Resolved: That the implications of the Autumn Statement, and the impact for the city region, be noted.

69. Post NGT Funding – Leeds Transport Strategy

The Authority considered a report of the Director of Policy, Strategy and Communications concerning devolution of funding which had previously been allocated to the NGT project.

Leeds City Council and WYCA had been working jointly on the development of a new Leeds Transport Strategy and on a Strategic Outline Case (SOC) for the £173.5m previously earmarked for the NGT project. The report provided an update on the development of the SOC which had been informed by a major transport consultation in the city, and a summary of initiatives which the £173.5m may be used to fund was set out in paragraph 2.4. Given the transport focus of the SOC, it was proposed to delegate consideration of the schemes to be incorporated within it to WYCA's Transport Committee who would be meeting on 9 December. Leeds City Council's Executive Board would also be considering the proposed SOC submission at its meeting on 14 December and, subject to approval at that meeting, it was proposed to submit the SOC to the DfT in mid-December.

WYCA would be the accountable body for the £173.5m funding and it was therefore proposed that the Leeds City Region Assurance Framework provide the governance model in the SOC submission and that, as with Growth Deal schemes, WYCA's Investment Committee be delegated the responsibility for assurance of the package following DfT approval to proceed.

Resolved:

- (i) That the development of the Strategic Outline Case submission to the Department for Transport for the £173.5m funding which had previously been allocated to the NGT project be noted.
- (ii) That consideration of the schemes to be incorporated within the Strategic Outline Case be delegated to WYCA's Transport Committee.
- (iii) That, subject to LCC approving the Leeds Transport Strategy report at its Executive Board on 14 December, the use of the Leeds City Region Assurance Framework as the proposed governance model in the Strategic Outline Case submission be noted.

- (iv) It was noted that, as with Growth Deal schemes, WYCA's Investment Committee would have responsibility for assurance of the package following DfT approval.

70. WYCA Consultation Response – Kirklees Draft Local Plan

The Authority considered a report of the Director of Policy, Strategy and Communications seeking endorsement of the proposed West Yorkshire Combined Authority (WYCA) response to support the Kirklees Draft Local Plan a part of the Combined Authority's role under the Duty to Cooperate.

WYCA had been consulted by Kirklees Council in November 2016 on their Draft Local Plan which outlined the housing and employment growth requirements for Kirklees up to 2031 and provided a portfolio of proposed site allocations to meet those needs. WYCA's proposed response to the Draft Kirklees Local Plan document, attached at Appendix 1 to the report, confirmed its alignment with the Strategic Economic Plan and emerging West Yorkshire Transport Strategy.

Resolved: That the response to the Kirklees Draft Local Plan consultation, as set out in Appendix 1 of the submitted report, be endorsed.

71. WYCA Medium Term Financial Strategy and Budget 2017/18

The Authority considered a report of the Director of Resources on WYCA's medium term financial strategy and budget for 2017/18.

It was reported that a business planning process had been underway during the autumn to ensure that the budget was aligned with the priorities identified through the Strategic Economic Plan. Appendix A of the submitted report set out the emerging priorities for 2017/18 identified through the business planning process.

Progress on the budget process was set out in the report and highlighted the challenges and pressures of setting a balanced budget taking account of the difficult funding climate in local government and the growing operational requirements of the organisation. A revised forecast budget for the current year and a proposed budget for 2017/18 was attached at Appendix B to the submitted report. Members noted the proposed £1m cut in the transport levy for 2017/18 which, given the non-discretionary nature of the English National Concessionary Scheme reimbursement, effectively represented a 2% cut of discretionary expenditure and would, taken in conjunction with other budget assumptions and pressures, require savings of £2m to be found in 2017/18. Members considered the various policy options available to achieve savings of such scale, including changes to tendered bus services and the provision of passenger information. Work was currently underway to understand the implications of changing policies in relation to tendered bus services.

The final budget would be agreed at WYCA's meeting scheduled for 2 February.

Resolved: That the draft budget for 2017/18 and the underlying assumptions and challenges be noted.

72. WYCA Corporate Plan

The Authority considered a report of the Managing Director on WYCA's Corporate Plan for 2016/17.

The report provided members with a mid-year update on performance and progress against the WYCA Corporate Plan focussing on the key measures which had been identified. It was reported that of the 35 measures included in the report, 17 were currently on target to achieve the annual targets, 5 were marginally off target and 3 were off target.

Members were also provided with a progress update on the One Organisation change programme.

Resolved:

- (i) That progress made to date on performance against the Corporate Plan be noted.
- (ii) That progress made on the One Organisation change programme be noted.

73. Appointment of External Auditors and Additional Governance and Audit Committee Members

The Authority considered a report of the Director of Resources on the appointment of external auditors and additional Governance and Audit Committee members.

Appointment of External Auditors

The report set out details of the new arrangements for the audit of authorities which had been established by the Local Audit and Accountability Act 2014 following abolition of the Audit Commission. Members considered the three options set out in the report for appointing an auditor for the 2018/19 accounts onwards noting that WYCA's Governance and Audit Committee had considered the matter at its meeting on 29 September and had recommended option 3.

Governance and Audit Committee

Members were asked to consider appointing an additional member or members to the Governance and Audit Committee in order to limit the risk of meetings being inquorate. The Committee currently comprised of 3 WYCA members.

Independent Chair of Governance and Audit Committee

It was reported that by May 2017 WYCA would, by Order, be required to appoint an independent Chair of the Governance and Audit Committee. The recruitment process for an independent chair would need to be progressed to enable the anticipated appointment to be made at WYCA's meeting in April 2017.

Resolved:

- (i) That the new options for appointing external auditors be noted.
- (ii) That WYCA opt into a 'sector led body' scheme for appointing its auditors for the 2018/2019 accounts and onwards for the compulsory period of 5 years further to the Local Audit and Accountability Act 2014 (as set out in option 3 of the submitted report).
- (iii) That WYCA's Director of Resources be authorised to sign and return the notice of acceptance of the invitation to become an "opted-in" authority, and to take any other steps to progress the new arrangements as required.
- (iv) That Councillor Tim Swift be appointed to the Governance & Audit Committee.
- (v) That WYCA's Head of Legal and Democratic Services progress appointment arrangements for an independent Chair for the Governance and Audit Committee, including convening an interview panel of 3 WYCA Members to make recommendations in relation to the appointment.
- (vi) That WYCA's Independent Remuneration Panel be asked to advise on appropriate remuneration for the independent Chair of the Governance & Audit Committee.

***74. Transport for the North Rail Priorities (Report exempt in accordance with paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972)**

The Authority considered a report of the Director of Policy, Strategy and Communications providing an update on Transport for the North's Northern Powerhouse Rail priorities emerging from the current phase of work.

Members were provided with an update outlining progress made by Transport for the North in developing Northern Powerhouse Rail. A summary of TfN's priorities emerging from the work done to date was set out in the report. Members noted that the proposed priorities would be discussed and agreed at the TfN Partnership Board on 19 December and discussed WYCA's input to that meeting.

Resolved: That the progress made in developing Northern Powerhouse Rail by Transport for the North and its partners be welcomed and endorsed.

75. Draft Minutes of the meeting of the Governance & Audit Committee held on 29 September 2016

Resolved: That the draft minutes of the meeting of the Governance & Audit Committee held on 29 September 2016 be noted.

76. Draft Minutes of the meeting of the Transport Committee held on 14 October 2016

Resolved: That the draft minutes of the meeting of the Transport Committee held on 14 October 2016 be noted.