

**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD REMOTELY ON MONDAY, 27 JULY 2020**

Present:

Councillor Susan Hinchcliffe (Chair)	Bradford Council
Councillor Tim Swift MBE (Deputy Chair)	Calderdale Council
Councillor Andy D'Agorne (Substitute)	York Council
Councillor Judith Blake CBE	Leeds City Council (to minute 24)
Councillor Stewart Golton	Leeds City Council
Councillor Jack Hemingway (Substitute)	Wakefield Council
Councillor Steven Leigh MBE	Calderdale Council
Mark Roberts (Substitute)	Leeds City Region Local Enterprise Partnership
Councillor Shabir Pandor	Kirklees Council
Councillor John Pennington	Bradford Council

In attendance:

Councillor Kim Groves	Chair, Transport Committee
Councillor James Baker	Deputy Chair, Overview & Scrutiny Committee
Antonia Mattos	Element Energy (minute 25 only)
Katherine Orchard	Element Energy (minute 25 only)
Angela Taylor	West Yorkshire Combined Authority
Caroline Allen	West Yorkshire Combined Authority
Brian Archer	West Yorkshire Combined Authority
Melanie Corcoran	West Yorkshire Combined Authority
Dave Pearson	West Yorkshire Combined Authority
Alan Reiss	West Yorkshire Combined Authority
Noel Collings	West Yorkshire Combined Authority (minute 25 only)
Ruth Chaplin	West Yorkshire Combined Authority

14. Chair's Comments

The Chair welcomed Councillor Steven Leigh to his first meeting.

15. Apologies for Absence

Apologies for absence were received from Roger Marsh and Councillors Keith Aspden and Denise Jeffery.

16. Declarations of Disclosable Pecuniary Interests

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

17. Exclusion of the Press and Public

There were no items that required the exclusion of the press and public.

18. Minutes of the Meeting of the Combined Authority held on 25 June 2020

Resolved: That the minutes of the meeting of the West Yorkshire Combined Authority held on 25 June 2020 be approved.

19. Covid-19 Update

The Combined Authority considered a report of the Director of Economic Services on COVID-19.

The report provided an update on progress with the delivery and development of products and services in response to the COVID-19 crisis and it was noted that work was continuing to understand the potential future impacts of COVID-19 on the local economy. Members discussed key issues including the business, employment and skills support being provided by the Combined Authority and LEP and details were outlined in the report. The challenges being faced by the City Region were recognised and several areas were highlighted including the cashflow issues being experienced by some SMEs, the implications for employment and the pressure on tourism, culture and the transport system.

Resolved: That progress on the delivery and development of the response to the COVID-19 crisis be noted.

20. Covid-19 Recovery Plans

The Combined Authority considered a report of the Director, Policy, Strategy and Communications on the draft plans for COVID-19 economic and transport recovery.

The draft Economic and Transport Recovery Plans were attached at Appendices 1 and 2 and a summary of their contents was provided in the submitted report. The draft plans set out actions for a locally led recovery and have a priority to reduce inequality, increase inclusivity and build a resilient and sustainable environment for the region. Members considered that a cultural element should be included in the draft plan and to ensure that people have easy access to skills and training.

The Authority endorsed the plans and noted that they would be subject to further development and flexibility as the impacts of the situation become clearer. Members thanked all involved in the preparation and development of the plans.

Resolved: That the draft plans for COVID-19 economic and transport recovery be endorsed, subject to further development as the impacts of the situation become clearer.

21. Devolution Progress

The Combined Authority considered a report of the Managing Director on devolution progress.

The report provided an update on work underway to become a Mayoral Combined Authority (MCA) and to implement the 'minded to' devolution deal. An overview of progress and details of the workstreams, which are themed around three priority areas, was outlined in the report and at Appendix 1. The governance for the programme was set out in Appendix 2.

It was reported that the eight week public consultation on the scheme had now closed and over 4,500 submissions had been received. Members congratulated officers on the high number of responses, particularly in light of the current situation. A full analysis of the responses would be undertaken but initial indications suggest that overall, respondents are in favour of the proposed arrangements. A summary report is to be considered by all West Yorkshire authorities and the Combined Authority and submitted to the Secretary of State in early September 2020.

The Authority considered and endorsed, subject to feasibility, the proposal to pursue a potential transfer of the Police and Crime Commissioner (PCC) functions to the MCA in May 2021.

It was reported that to further strengthen MCA-level collaboration, West Yorkshire Combined Authority has been invited to join the 'M9' network which supports joint engagement between the nine existing MCAs and Government. Members considered the proposal and, in noting the benefits, agreed that membership of M9 would enable the Combined Authority to have a strengthened voice in national level conversations.

Resolved:

- (a) That the progress made to date be noted.
- (b) That the proposal to join the M9 group of other Mayoral Combined Authorities be approved.
- (c) That the proposal to pursue a potential transfer of the Police and Crime Commissioner's office by May 2021 be endorsed, subject to feasibility and due diligence.

22. Single Investment Fund

The Combined Authority considered a report of the Director, Corporate Services on the Single Investment Fund (SIF).

Members considered the principles and design of a Single Investment Fund (SIF) as the transition is made to become a Mayoral Combined Authority (MCA). It was noted that the proposed approach to the development of a SIF is designed to ensure it supports delivery of the MCA's agreed strategic

objectives and provides an opportunity to create an overall 'single pot' which brings together all the MCA's funding. It would give the Authority greater ability to prioritise investments including interventions on skills, business, inclusion, climate and infrastructure. A summary of the process was set out in the submitted report and at Appendix 1.

It was reported that work was underway to revise the Strategic Economic Framework for the MCA and a report would be brought to a future meeting. Members noted Appendix 2 which set out how an approach, led by strategic priorities, could support the delivery of the region's projects and programmes of activity. This approach would deliver inclusive growth and transport improvements, increase productivity, address the climate emergency and unlock the economic potential and accelerate growth.

Resolved: That the approach set out in the report to the Single Investment Fund and supporting Strategic Economic Framework for the Mayoral Combined Authority as part of the West Yorkshire devolution deal be approved.

23. Capital Spending and Project Approvals

The Combined Authority considered a report of the Director, Delivery on the progress and funding for the following schemes through the Combined Authority's assurance process:

- West Yorkshire Mass Transit
- A64 Bus Priority and Park and Ride
- Integrated Corporate Systems – Finance & Human Resources
- Bradford Strategic Transport Model
- Leeds City Centre Cycle Connectivity

In addition, it was noted that since the last meeting, decisions on the following schemes have been made by the Investment Committee:

- Rail Accessibility Programme (RAP) – Horsforth and Crossgates
- A629 Phase 1b
- Leeds Bus Station Gateway
- A660 Signals
- West Yorkshire Local Cycling and Walking Infrastructure Plans
- Transport ICT – Combined Services and Assets Database (CoSA)

Members considered and approved the allocation of the Department for Transport's (DfT) pothole funding to the five West Yorkshire partner councils which was outlined in the report. The allocations had been identified using the DfT's formula and the allocations would be paid quarterly to the partner councils.

The report also provided updates in respect of Transforming Cities Fund (TCF) funding and Business Cost Ratio (BCR) and details of all the schemes were provided in the submitted report.

Resolved:

(a) In respect of pothole funding allocation 2020/21 -

- (i) That the expenditure of the DfT pothole funding totalling £18.610 million be approved.
- (ii) That the allocation of the DfT pothole funding to the five West Yorkshire partner councils in accordance with the DfT formula be approved and that allocations are paid quarterly to partner councils.

(b) In respect of West Yorkshire Mass Transit –

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

- (i) That the West Yorkshire Mass Transit programme proceeds through decision point 1 (Strategic assessment) and work commences on activity 2 (Strategic outline case).
- (ii) That development funding be agreed for £2.041 million from WY+TF Transformational Fund to develop the feasibility of the scheme.
- (iii) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report 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 A64 Bus Priority and Park & Ride -

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

- (i) That the A64 Bus Priority & Park & Ride package proceeds through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case).
- (ii) That an indicative approval of £7 million is given from the Transforming Cities Fund with full approval to spend being granted once the scheme package 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 Portfolio Appraisal Team. This will be subject to the package remaining within the tolerances outlined in

the report.

(d) In respect of Integrated Corporate Systems – Finance and HR Systems

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

- (i) That the Integrated Corporate Systems project proceeds through decision point 2 (strategic outline case) and work commences on activity 4 (full business case).
- (ii) That an indicative approval is given to the total project value of £1.5 million is given from the Combined Authority's own capital programme and reserves with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 4.
- (iii) That development costs of £150,000 are approved in order to progress the scheme to decision point 4 (full business case).
- (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 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Portfolio Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.

(e) In respect of Bradford Strategic Transport Model -

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

- (i) That the Bradford Strategic Transport Model project proceeds through Decision Point 2 (strategic outline case) and work commences on Activity 5 (full business case with finalised costs).
- (ii) That an indicative approval to the Combined Authority's contribution of £367,000 (which will be funded through the West Yorkshire Transport Fund) is given. The remainder of the funding is from City of Bradford Metropolitan District Council (£342,000). The total project value is £709,000.
- (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 Portfolio Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.

(f) In respect of Leeds City Centre Cycle Connectivity -

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

- (i) That the TCF: Leeds City Centre Cycle Connectivity project proceeds through decision point 3 (outline business case) and work commences on activity 5 (full business case with finalised costs).
- (ii) That an indicative approval to the total project value of £7.81 million is given from the TCF 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 additional development costs of £1.085 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 £1.235 million.
- (iv) That the Combined Authority enters into a funding agreement with Leeds City Council for expenditure of up to £1.235 million from the TCF 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 Portfolio Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.

24. Future Bus Options

The Combined Authority considered a report of the Director, Policy, Strategy and Communications on future bus options.

The report provided an update on the work to develop a new approach to bus services and the implications that COVID-19 is likely to have on the consideration of future options.

Members noted the uncertain nature of the current bus funding and agreed the importance of exploring all options to deliver bus services in West Yorkshire. The options available to the Combined Authority were outlined in the submitted report and it was noted that additional funding would be required to access technical expertise where the skills are currently not available in-house. It was therefore agreed that spending of up to £150,000 be approved to provide the support to understand the issues and develop a preferred way forward.

Alongside the external technical requirements, it is anticipated that the Combined Authority will continue to develop the case for change and

understand the organisational response to taking a different role in the delivery of bus services across West Yorkshire.

Resolved: That the Combined Authority approves spending of up to £150,000 to provide support to develop the financial, legal and technical options available to reform the provision of bus services in the region.

25. West Yorkshire Carbon Emission Reduction Pathways

The Combined Authority considered a report of the Director, Policy, Strategy and Communications on the West Yorkshire Carbon Emission Pathways.

The West Yorkshire Carbon Emission Reduction Pathways (CERP) study was commissioned to demonstrate the different ways in which the climate emergency could be addressed, and the strengthened target met. It also provided guidance to West Yorkshire councils and businesses on the ways they could address their own climate emergency declarations and targets. The meeting was attended by Antonia Mattos and Katherine Orchard from Element Energy, the consultants who had carried out the study.

Members discussed the findings to date which will inform future decisions about how to tackle the climate emergency and become a net zero carbon region. It was reported that significant engagement had been undertaken with the West Yorkshire councils and the Green Economy Panel had reviewed the findings of the study to date. The conclusions will enable the Authority to start on a pathway towards becoming net-zero carbon by 2038 and to focus, in the short-term, on those actions that are common to all the pathways and these were detailed in the submitted report.

It was agreed that the work should proceed to the next stages as outlined in the report. This included engagement with as wide a number of stakeholders as possible to obtain their input into the development of policies and actions that could be implemented. A report would be brought to a future meeting.

Resolved:

- (a) That the findings of the study be endorsed.
- (b) That approval be given to wider engagement with stakeholders on the findings of the study.

26. Budgets and Funding

The Combined Authority considered a report of the Director, Corporate Services on budgets and funding which:

- Advised of the impact of the COVID-19 pandemic on budgets for 2020/21 and future years.
- Sought approval to an approach to commit future gainshare to resource the additional work required to become mayoral ready by May 2021 and the delivery of the higher scenario of the Transforming Cities Fund (TCF) programme.

It was reported that the original 'worst case' forecast for the impact of COVID-19 identifies a potential (high scenario) full year revenue funding gap of c.£12m. The key impacts included commercial income, bus station costs, commission from prepaid ticket sales, bus revenues and transport service costs and the Authority has been required by Government to continue to pay bus operators for concessionary fares and subsidised bus services.

The current estimate for the Mayor Ready Programme was noted and it was agreed that the gainshare element of the devolution deal be used to support the costs of transitioning to a Mayoral Combined Authority.

It was noted that £317m had been secured as part of the devolution deal to deliver the Transforming Cities Fund by March 2023. However, whilst one of the largest deals in the country, a further £164.5 million is required to deliver the 'preferred' high scenario. Members agreed to support its delivery which would be funded from gainshare, using an appropriate mix of capital and revenue funding to support borrowing.

The Budget Working Group would consider the impact the pandemic has had on budgets and funding in more detail and a report would be brought to a future meeting.

Resolved:

- (a) That the position on the 2020/21 revenue budget be noted.
- (b) That the Combined Authority approves the use of future gainshare to support the costs of transitioning to a Mayoral Combined Authority.
- (c) That the Combined Authority approves the use of future gainshare to support the delivery of the higher scenario of the Transforming Cities programme.

27. Proposed Pension Transfer

The Combined Authority considered a report of the Director, Corporate Services on a proposed pension transfer.

The report sought approval to revised pension arrangements in relation to liabilities for pension costs for a cohort of bus drivers formerly employed by the predecessor passenger transport authority, including:

- The transfer of assets of £42.5 million to Greater Manchester Pension Fund.
- The Combined Authority to be admitted to the Greater Manchester Pension Fund for the sole and limited purpose of meeting the pension liabilities in the manner set out in the submitted report.
- To delegate to the Director, Corporate Services the finalising of the required agreements to enable the arrangements to progress.

Members considered the information provided in the report regarding the

proposed transfer of pension arrangements and noted that the proposed option has been supported by the West Yorkshire Pension Fund and respective actuaries. The arrangement would require the Combined Authority to become a member of the Greater Manchester Pension Fund but this would be within a very prescribed and limited way to enable effective administration of the arrangement.

It was agreed that the finalising of the necessary arrangements and agreements as set out in the submitted report be delegated to the Director, Corporate Services.

Resolved:

- (a) That the revised pension arrangements in relation to liabilities for pension costs for a cohort of bus drivers formerly employed by the predecessor transport authority, as set out in the submitted report, be approved.
- (b) That the transfer of assets of £42.5 million to Greater Manchester Pension Fund be approved.
- (c) That approval be given to the Combined Authority being admitted to the Greater Manchester Pension Fund for the sole and limited purpose of meeting the pension liabilities in the manner set out in the submitted report.
- (d) That the finalising of the required agreements to enable the arrangements to progress be delegated to the Director, Corporate Services.

28. Governance Arrangements, Corporate Planning and Performance

The Combined Authority considered a report of the Director, Corporate Services which provided an update on corporate performance including progress against corporate plan priorities, risk management and budget position.

Summaries of the performance against the 2019/20 key performance indicators and strategic organisational risks were provided in Appendix 1 and had been updated to include strategic risks related to the ongoing COVID-19 pandemic.

It was reported that the 2020/21 business plans had been updated to reflect the impacts of the pandemic and the details of the devolution deal and these were attached at Appendix 2. Members considered and endorsed the proposed content of the 2020/21 Corporate Plan which was also attached at Appendix 2. It was agreed that final sign off of the Plan be delegated to the Managing Director in consultation with the Chair of the Combined Authority and the LEP Chair.

An overview of 2020/21 current spend to budget as at June 2020 compared to the approved revenue budget was provided in Appendix 3. It was noted that

there were a number of emerging 'red' areas of concern which related to the COVID-19 pandemic.

In respect of governance arrangements, it was agreed that Councillor Steven Leigh be appointed to the Governance and Audit Committee to fill the vacancy arising from the resignation of Councillor David Hall.

Resolved:

- (a) That the 2020/21 Corporate Plan be endorsed, with a final sign off delegated to the Managing Director, in consultation with the Chair of the Combined Authority and the LEP Chair.
- (b) That Councillor Steven Leigh be appointed to the Governance and Audit Committee.

29. Minutes for Information

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

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