

**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE COMBINED AUTHORITY
HELD ON THURSDAY, 3 FEBRUARY 2022 AT COMMITTEE ROOMS
6&7, CIVIC HALL, LEEDS**

Present:

Mayor Tracy Brabin (Chair)	West Yorkshire Combined Authority
Councillor Susan Hinchcliffe	Bradford Council
Councillor Matthew Morley (Substitute)	Wakefield Council
Councillor Stewart Golton (Substitute)	Leeds City Council
Councillor James Lewis	Leeds City Council
Sir Roger Marsh OBE DL	Leeds City Region Local Enterprise Partnership
Councillor Shabir Pandor	Kirklees Council
Councillor Rebecca Poulsen	Bradford Council
Councillor Matthew Robinson	Leeds City Council
Councillor Tim Swift MBE	Calderdale Council
Councillor Andrew Waller	City of York Council

In attendance:

Councillor Kim Groves	Leeds City Council
Ben Still	West Yorkshire Combined Authority
Brian Archer	West Yorkshire Combined Authority
Melanie Corcoran	West Yorkshire Combined Authority
Liz Hunter	West Yorkshire Combined Authority
Dave Pearson	West Yorkshire Combined Authority
Alan Reiss	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Thomas Purvis	West Yorkshire Combined Authority
Dominic Martin	West Yorkshire Combined Authority

73. Apologies for Absence

Apologies were received from Cllr Lawson and Cllr Jeffery.

74. Declarations of Disclosable Pecuniary Interests

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

75. Exempt Information - Possible Exclusion of the Press and Public

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

76. Minutes of the Meeting of the Combined Authority held on 9 December 2021

Resolved: That the minutes of the meeting of the West Yorkshire Combined Authority held on 9 December 2021 be approved.

77. Economic Recovery

Members received an update on developments surrounding the Covid-19 pandemic and economic recovery in West Yorkshire.

Rising energy costs were highlighted, as well as the significant number of people in the region either out of work or paid less than the living wage. Members noted that this, in combination with the expected National Insurance rise, would put great pressure on many households. and stressed the importance of the work being done to implement the Fair Work Charter across the region. Support offered by the Combined Authority was noted, including the Entrepreneurship Programme and the Strategic Employment and Skills package, and it was noted that the Government had recently announced £550 million of funding to support adult skills boot camps. The success of the Entrepreneurship Programme in reaching disadvantaged segments of the community was praised by Members.

Members emphasised that further investment in skills would be a priority going forward, with flexibility to expand on this in the future being extremely important. Working with employers to invest in people and minimise unstable employment, as well as providing opportunities to gain skills and move out of low-paid employment, would be vital.

Many businesses had reported issues finding skilled candidates to fill existing roles, which also effected potential expansion plans. Members noted that skills had been a concern in the region for many years, and suggested a more in-depth analysis of skills issues in the region in partnership with providers in further and higher education, in order to determine what support could be provided that would ensure further growth and success in the region did not come at the expense of existing businesses. Similarly, Members also noted that further data beyond footfall would be useful to determine spending during the economic recovery, as well as more information on the destinations of those enrolling in skills training, such as if they moved on to a higher-paid job.

Members were pleased to note that recent publications from Government supported the model of Combined Authority and LEP partnership that was demonstrated in the region, and would endeavour to continue to work closely with the private sector.

Resolved: That the report be noted.

78. Budget and Business Planning 2022/23

The Combined Authority considered a report on the proposed budget for

2022/23, including the transport levy, treasury management statement, revised forecast outturn revenue position, and summary business plans.

The Levelling Up white paper had been published earlier in the week and had included some positive details regarding the simplifying of funding awards, and reducing the number of bidding processes for time-limited pots of money, though it was noted this did not include the new £22 million Brownfield Land Fund which had been announced. However, details regarding what funding would be made available by Government for the delivery of the region's Bus Service Improvement Plan (BSIP), as well as what would be received from the UK Shared Prosperity Fund, had not been included, and the continuation of bus service funding by Government was a serious uncertainty, with bus operators already looking at reducing their services. Members noted that a strong bus network was key to the levelling up agenda and that cessation of this funding would be very detrimental in this regard, with the impact on Wakefield being particularly highlighted. The need to work together across the North to respond to this uncertainty was emphasised.

It was noted that a reserves policy of 5% had been set, at slightly above £10 million, and Members questioned how this compared to other Combined Authorities. Officers advised that the approach to reserves varied depending on risks faced, and that though this was higher than in previous years, it seemed appropriate, particularly given the limited opportunities to raise funds throughout the year. It was also noted that this money would not be spent without further reporting to the Combined Authority on the need for its use.

Members also raised two line items, regarding professional services and consultancy as well as supplies and services. It was noted that these were both catch-all items to some degree and included expenditure on delivering economic services programmes. An updated version of the revenue budget appendix with these items separated into different categories would be circulated to Members after the meeting. It was also noted that a new finance system with improved reporting was intended to be implemented at the end of the calendar year.

Staffing levels were discussed, with an increase of 13% from the previous year to 657 full-time employees. It was noted that recruitment had been difficult in places, with some vacancies having to be carried over. Members raised the possibility of creating posts to bring in further expertise with bidding processes, as outside help had been needed previously. Officers advised that this was done in cases of recurring need, and would be looked at in future if more specialism was needed, but noted that Combined Authority officers had strong experience with bid-writing.

Resolved:

- a) That approval be given to the Combined Authority proposed revenue budget for 2022/23.
- b) That approval be given to the indicative capital programme and budget for 2021/22 – 2024/25.

- c) That progress on the 2022/23 business plan be noted and that the proposal to review the Combined Authority's corporate priorities is endorsed.
- d) That in accordance with the powers contained in the Local Government Finance Act 1988 (as amended) and by virtue of article 9(6) of the West Yorkshire Combined Authority Order and the Transport Levying Bodies Regulations 2015 (as amended) a levy of £103 million be determined for the year ended 31 March 2023.
- e) That the Director, Corporate and Commercial Services be authorised to issue the levy letter in respect of the financial year ending 31 March 2023 to the five District Councils in West Yorkshire.
- f) That a payment of £5.09 million be made to the five District Councils in accordance with Table 1 of the submitted report.
- g) That authorisation be given to the Director, Corporate and Commercial Services to arrange appropriate funding for all expenditure in 2021/22 and 2022/23 subject to statutory limitation, including the most appropriate application of capital funding as set out in the submitted report.
- h) That approval be given to the continuing of the policy, effective from 2017/18, for recovering the Combined Authority costs of managing the capital programme against the capital programme spend being mainly West Yorkshire plus Transport Fund, Transforming Cities, Getting Building Fund, Brownfield Housing, Local Transport Plan Integrated Transport and any schemes developed in year. For 2022/23 the estimated total value is £12 million.
- i) That the adoption of the CIPFA Code of Practice for Treasury Management in Public Services be reaffirmed.
- j) That the treasury management policy as set out in Appendix 5 of the submitted report be approved.
- k) That the prudential limits for the next three years as set out in Appendix 5 of the submitted report be adopted.

79. Funding Priorities

The Combined Authority considered a report requesting the approval of indicative revenue funding envelopes to the Investment Priorities within the West Yorkshire Investment Strategy (WYIS) for the financial years 2021/22-2024/25, as well as principle funding allocations to each Local Authority and the Combined Authority.

Members highlighted significant indicative investment of approximately £40 million to addressing the climate emergency, as well as the creation of a dedicated pot of funding to support culture and creative activities in the region,

noting that culture was key to levelling up. These proposed indicative funding envelopes had been developed in partnership between the Combined Authority and Local Authorities. The intention was to create a pipeline of projects for each of the region's investment priorities, to support levelling up and to strengthen the region's position in the global economy. Further proposals would be sent to the appropriate committees for discussion, though it was highlighted that these allocations were indicative, and that flexibility would remain to respond to any new requirements.

It had been identified that additional capacity would be needed across the Combined Authority and Local Authorities to identify and create these pipelines of schemes, and it was proposed that 10% of gainshare funding be shared across the partnership to meet these needs. Members questioned what flexibility Local Authorities would have regarding this funding; officers advised that there would be significant flexibility in how the funding was used, but that the end result being targeted would need to be agreed earlier in the process.

Members noted that a significantly high amount of carry forward was listed in the 2021/2022 allocation and queried why funding was not being distributed faster. Officers advised that there was need for pipelines to be further developed before more funding could be released, with the programme intending for all funding to be spent over the next three years as would best benefit the region's development. It was intended that a surplus of projects be developed, to mitigate the risk of funding being unable to be allocated if projects were delayed. The flexibility of the gainshare funding would be helpful in this regard, and funding left unspent at the end of the programme could be used to support the above-mentioned capacity funding in the development of a longer-term pipeline of infrastructure.

Resolved: That the Combined Authority:

- a) indicatively approves the revenue funding envelopes (detailed at para 2.8 of the submitted report) to the Investment Priorities within the WYIS for the financial years 21/22-24/25. Full approvals to spend will be granted once pipelines of projects have been developed. All schemes and pipeline will be progressed through the assurance process in line with the Combined Authority's Assurance Process.
- b) indicatively approves £11.4m funding from the Single Investment Fund to the Combined Authority and Local Authorities to support capacity issues and enable pipeline development work to be undertaken against the Investment Priorities. Full approval to spend will be granted once the project has progressed through the assurance process in line with the Combined Authority's Assurance Process.
- c) delegates to the Finance, Resources and Corporate Committee, the approval for programme to pass through Decision Point 2, totalling no more than £11.4m of funding from the Single Investment Fund.

80. Transport Committee Review

The Combined Authority received an update on the Transport Committee Review, including the proposed Transport Committee terms of reference, membership, and role profiles for consideration by the Independent Remuneration Panel, and were asked to approve the proposed changes in principle.

Members noted that the proposed changes differed significantly from earlier plans to reduce the size of the Transport Committee and take a more streamlined approach, and questioned whether, rather than an increased number of Members, a more preferable option would be to include more industry representation in order to gain access to more expertise and familiarity. However, it was noted that transport concerns represented a very large body of work, which was set to increase in the coming months, and that this was an already an area which generated hundreds of enquiries and comments from the public for Members. An increased membership was potentially helpful in this regard. Additionally, it was noted that the district Transport Portfolio Holders, who were being added to the membership of the committee, currently already attended as guests.

The increased focus on a local connection was welcomed, with the incorporation of the district Transport Portfolio Holders seen as part of this. The role of the District Consultation Sub-Committees was discussed, with a new format that would help the sub-committees achieve greater inclusion and more widely represent the local communities.

It was proposed that an Independent Review Panel be appointed to review the proposed role profiles and allowances, and that a further report then be brought back to the Combined Authority for final approval.

Members thanked the Transport Committee and Cllr Groves, the committee's Lead Member for Public Transport, for the hard work that had been done to this point in improving transport throughout the region.

Cllr Waller noted that his husband was a Member of the Transport Scrutiny committee, though this did not constitute a pecuniary interest to the matters discussed.

Resolved:

- a) The Combined Authority notes the update on the Transport Committee Review.
- b) That the Combined Authority approves in principle the proposed future role for Transport Committee set out at paragraphs 2.19 to 2.29 of the submitted report.
- c) That the Combined Authority approves in principle the proposed membership, role profiles and indicative terms of reference contained in Appendices 1, 2, and 3 of the submitted report respectively.
- d) That the Combined Authority approves the recommendation to convene an Independent Remuneration Panel to assess the level of allowances

paid to the Deputy Chairs, Transport Engagement Leads, and Ordinary Members.

- e) That a further report be submitted to the Combined Authority following receipt of the recommendations of the Independent Review Panel seeking approval of the new arrangements for Transport Committee in line with the next steps set out at paragraphs 2.36 to 2.38 of the submitted report.

81. Healthtech Strategy

Members received an update on work to develop the region's Health Innovation agenda and were requested to approve the partnership Healthtech Strategy.

The role the Healthtech Strategy could play in tackling entrenched inequalities was praised by Members, as well as its potential to attract international investment and create well-paid jobs. It was noted that West Yorkshire was already highly recognised in regards to healthtech, and the work being done could make the region into a global leader. However, it would be vital to ensure that these benefits were spread across the region as a whole, and further detail on monitoring was requested within the action plan.

Members thanked the Healthtech Cluster Group and other partners for their contributions in developing the Strategy, as well as the LEP Board and Business, Economy and Innovation Committee for their valuable feedback. The diverse range of people engaged in the work was also praised by Members.

It was noted that the Levelling Up white paper released by Government earlier in the week had noted the increase research and development funding outside of London, Oxford and Cambridge, but that the named areas had not included West Yorkshire. This was disappointing, but officers advised that they planned to raise this in discussion with Government and work to ensure that the region was next in line for any further funding, and the Healthtech Strategy and its strong action plan would be of great benefit in these efforts. It was noted this was an area that the region could make strong accomplishments in regardless of government funding, though better results could be achieved with further support.

The twin benefits of the Healthtech Strategy to the economy and to the region's health were emphasised, and Members underlined the role of technology in tackling health inequalities.

Cllr Robinson declared an interest in the item, as he worked within the tech sector.

Resolved: That the Combined Authority:

- a) notes the progress made to support the Health Innovation agenda.

- b) approves and endorses the vision and direction for the partnership set out by the West Yorkshire Healthtech Strategy and that the Combined Authority adopts it as part of the Strategic Economic Framework.

82. Mass Transit Resourcing

The Combined Authority considered a report seeking approval for the creation and appointment of a Director of the West Yorkshire Mass Transit Programme for the Combined Authority.

It was noted that the Combined Authority had submitted a bid of £200 million for mass transit work to the City Region Sustainable Transport Settlement. This would be the first stage toward providing the high-capacity mass transit system that was expected to be needed in the future, which could ultimately cost over £2 billion.

Members questioned whether the recruitment process for the Programme Director would extend internationally, noting that this was a significant programme of work and that the right person would be needed to achieve the best result. It was confirmed that the Combined Authority would look widely and would seek advice to find the right candidate. It was also noted that the initial appointment may be on an interim basis before a more permanent replacement was found.

Members requested that the interview panel include representation from all parties and local authorities, and suggested that stakeholder panels could play a useful role.

Resolved: That the Combined Authority approves:

- a) To create a new role of Director of the West Yorkshire Mass Transit Programme within the Combined Authority and recruit to the post.
- b) To delegate to the Managing Director the recruitment process, including convening an interview panel (with member representation) and, in consultation with the Mayor and the Chair of the Transport Committee, to make an appointment in accordance with the recommendation of the interview panel.

83. Capital Spending and Project Approvals

The Combined Authority considered a report on proposals for the progression of, and funding for, West Yorkshire Combined Authority supported projects that had been considered at stages 1, 2 and 3 of the Combined Authority's assurance process.

The Connectivity Infrastructure Plan (CIP) A629 (North) Ogden to Orange Street Roundabout scheme was considered for approval, and had come directly to the Combined Authority due to expediency of delivery. The project was seeking indicative approval of a contribution of £6.1m from the Combined Authority, and was expected to improve access to education, training and

employment opportunities, as well as reducing standing traffic. Approval was sought for development costs of £1.18 million, and for the scheme to proceed from decision point 3 and for work to commence on the full business case.

Resolved: The Combined Authority approves that:

- a) The CIP - A629(N) – Ogden to Orange Street Roundabout scheme proceeds through decision 3 (outline business case) and work commences on activity 4 (full business case).
- b) An indicative approval to the Combined Authority's contribution of £6,100,000 is given. The total scheme value is £7,010,000.
- c) Additional development costs of £1,180,000 are approved in order to progress the scheme to decision point 4 (full business case), taking the total scheme approval to £1,810,000.
- d) The Combined Authority enters into a funding agreement with Calderdale Metropolitan Borough Council for expenditure of up to £1,810,000.
- e) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in the submitted report.

84. Assurance Framework

The Combined Authority received an update on the progress relating to changes proposed to the Leeds City Region Local Assurance Framework arising from the 2022 annual review.

There was a requirement to submit a revised version of the Assurance Framework to Government by 28 February 2022. The proposed changes were primarily a result of the Mayor coming into post, but also reflected the introduction of the West Yorkshire Investment Strategy, changes to committee structures, the introduction of carbon appraisal at each stage of consideration of schemes, and other changes. Approval was sought for these revisions, with authority for any final changes required prior to publication to be delegated to the LEP's Chief Executive in consultation with the Chairs of the LEP and the Combined Authority.

Councillor Groves left the meeting during this item.

Resolved: The Combined Authority:

- a) has reviewed and approves the proposed revisions to the Leeds City Region Assurance Framework.
- b) delegates authority to the LEP's Chief Executive (the Managing Director) in consultation with the LEP Chair and the Combined Authority Chair to approve the final Local Assurance Framework, in case that any

further changes are needed to be made to the Local Assurance Framework prior to its publication.

85. Appointment of external auditors

The Combined Authority considered a report seeking approval of the opt-in to the PSAA led national scheme for the appointment of external auditors, effective from April 2023.

At its meeting on Governance and Audit Committee had recommended that the Combined Authority opt-in to the PSAA led national scheme, in line with the vast majority of Local Authorities nationally. This would be effective from April 2023.

Resolved: That the Combined Authority has considered the recommendation and information provided and approves the opt-in to the PSAA led national scheme for the appointment of external auditors, effective from April 2023.

86. Members' Code of Conduct - Review of Procedure

The Combined Authority considered a report seeking approval of an amended 'Procedure for considering complaints alleging a failure to comply with the Members' Code of Conduct'.

The procedure had been amended to provide greater transparency and clarity following feedback from the Local Government Association. The Governance and Audit Committee had endorsed the amendments at its last meeting.

Councillor Groves returned to the meeting during this item.

Resolved: That the Combined Authority adopts the revised Procedure for considering complaints alleging a failure to comply with the Members' Code of Conduct as attached as Appendix 1 of the submitted report, to be of effect from this 3 February 2022 meeting.

87. 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.