

WEST YORKSHIRE & YORK INVESTMENT COMMITTEE
MEETING TO BE HELD AT 11 AM ON WEDNESDAY 8 MARCH 2017 AT
WELLINGTON HOUSE, WELLINGTON STREET, LEEDS

A G E N D A

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**
- 3. EXEMPT INFORMATION – POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC**
- 4. MINUTES OF THE MEETING HELD ON 4 JANUARY 2017**
(pages 2 - 9)
- 5. LEEDS CITY REGION GROWTH DEAL DELIVERY**
(pages 10 - 19)
- 6. CAPITAL SPENDING AND PROJECT APPROVALS**
(pages 20 – 43)
- 7. ESIF SUSTAINABLE URBAN DEVELOPMENT**
A presentation will be given.

Signed:



WYCA Managing Director

ITEM 4

MINUTES OF THE MEETING OF THE WEST YORKSHIRE & YORK INVESTMENT COMMITTEE HELD ON WEDNESDAY 4 JANUARY 2017 IN WELLINGTON HOUSE, LEEDS

Present:	Cllr Susan Hinchcliffe (Chair)	-	City of Bradford MDC
	Roger Marsh	-	WYCA/Leeds City Region LEP
	Cllr Alex Ross-Shaw	-	City of Bradford MDC (from minute 27)
	Cllr Barry Collins	-	Calderdale MBC
	Cllr Peter McBride	-	Kirklees MC
	Cllr Richard Lewis	-	Leeds CC
	Cllr Denise Jeffery	-	Wakefield MDC
	Cllr Ian Gillies	-	City of York Council
In attendance:	Rob Norreys	-	WYCA
	Angela Taylor	-	WYCA
	Melanie Corcoran	-	WYCA
	Lisa Childs	-	WYCA
	Sally Hinton	-	WYCA
	Rachel Jones	-	WYCA
	Jessica McNeill	-	WYCA
	Gary Bartlett	-	Leeds CC (from minute 27)
Ruth Chaplin	-	WYCA	
Observers:	Councillor K Wakefield	-	WYCA Transport Committee
	Councillor E Firth	-	WYCA Transport Committee

22. Apologies for Absence

There were no apologies for absence.

23. Declarations of Disclosable Pecuniary Interests

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

24. 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 appendix 1 to Agenda Item 9, LEP Loan 102 : Stage 3 Variation, 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.

25. Minutes of the Meeting held on 9 November 2016

Resolved: That the minutes of the West Yorkshire and York Investment Committee held on 9 November 2016 be approved and signed by the Chair.

26. Leeds City Region Growth Deal Delivery

The Committee considered a report which provided an update on:

- The progress made in implementing and achieving target expenditure on Growth Deal (Rounds 1 and 2)
- The outcome of the Annual Conversation which took place between Government and the LEP on 6 December 2016.

Members were advised that the total funding available for 2016/17 is £127m and the revised profile aimed to achieve £86.75m spend on Growth Deal projects this year. The main areas of risk to achieving the expenditure and how they could be mitigated by bringing forward Growth Deal 3 early win projects were discussed. Members emphasised the importance of ensuring that the focus on spending and the challenges of delivering and bringing forward projects were recognised by the District Councils. They were advised that District sponsors and WYCA officers were exploring where West Yorkshire plus Transport Fund (WY+TF) and housing and regeneration schemes could be accelerated within existing programmes from 2017/18 onwards. A letter had also been sent to Chief Executives from Roger Marsh, Chair, LCR Local Enterprise Partnership and a copy would be circulated to District Leaders and members of the Committee. A workshop had also been arranged for 25 January 2017 for Investment Committee members and district officers to consider the acceleration of projects and the resource implications in more detail. Councillor Hinchcliffe asked members to prepare for the workshop in respect of projects in their own districts.

The Committee noted that the Annual Conversation (a formal dialogue between the government and each LEP) had involved a review of implementation of agreed actions from the previous year, delivery to date, LCR lifetime Programme Plan and compliance with the new National Assurance Framework. It was reported that an Annual Conversation review meeting would be held at the end of January 2017 to confirm Growth Deal spend for 2016/17 and the possibility of revising profiled allocations would also be discussed.

Resolved:

- (i) That the progress in delivering the Growth Deal (Rounds 1 and 2) be noted.

- (ii) That a workshop be held for Investment Committee members and officers in January 2017 to consider the acceleration of West Yorkshire plus Transport Fund and Housing and Regeneration projects.

27. Capital Spending and Project Approvals

The Committee considered a report on proposals for the progression of, and funding for, a number of West Yorkshire plus Transport Fund and Growth Deal projects at Stages 1 and 2.

Members were reminded of the three stage approach which was being introduced to enhance current project management arrangements and a table showing an overview of Growth Deal 1 and 2 schemes provisionally mapped onto the new PMO (Portfolio Management Office) process was attached at Appendix 1.

The Committee considered the following projects:

Stage 1: Pipeline (Eligibility)

Leeds A6110 Outer Ring Road Improvements

It was reported that the scheme had been mandated as part of the original WY+TF schedule and Leeds City Council were accelerating it for early delivery. The Committee considered the request for £286k funding approval from the WY+TF, through delegation to the Managing Director, to complete the modelling and appraisal necessary to progress the scheme to Activity 3 (Outline Business Case) by the end of 2017/18.

Request for Pre-Feasibility Funding Approval – Car Park Extensions Phase 2 (Parking Extensions at Rail Stations – PEARS)

The Committee was advised that the demand for car parking at rail stations was increasing and there was a requirement to review potential car park options on any land adjacent to all of West Yorkshire's rail stations. An initial list of 41 stations where land is available had been identified and a copy would be circulated to the Committee. Members asked for clarification in respect of legal agreements with Network Rail including arrangements for future proofing any revenue generating opportunities against WYCA's investment.

The request was for the Investment Committee to consider recommending to the WYCA that the Parking Extensions at Rail Stations (PEARS) proposal be accepted into the portfolio (ie. satisfies Activity 1) and for funding of £138k from the WY+TF, to carry out the pre-feasibility work. On conclusion of the pre-feasibility work a further request for additional funding will be submitted to advance projects through the PMO process. It was anticipated that a number of schemes could be delivered by 2021.

Stage 2: Pipeline Development

The Committee considered the following projects in Stage 2: Pipeline Development. These projects had progressed through Stage 1 and had developed robust costs and programme information that enabled approval to be sought to the full costs of the project and for them to be recommended to progress to the delivery phase.

A629 Halifax to Huddersfield Corridor Improvements Monitoring & Evaluation

The Committee considered a funding request for £140k from the WY+TF, through delegation to the Managing Director, to fund a monitoring and evaluation activity to take consideration of the current position of the programme through base data collection in advance of any works commencing on site. This would determine the immediate output and outcomes as well as the longer term impacts from a transport, economic and environment perspective. It was considered that this monitoring and evaluation exercise could be used as a pilot project which would help guide the approach to future WY+TF projects and the whole of the Growth Deal.

Members discussed the importance of the programme, particularly in respect of providing access to health services in Calderdale and Kirklees and asked that the scheme be revisited to see whether it could be accelerated.

Rail Package (Parking) Schemes:

(i) Request for Decision Point 5 (Gateway 3) Funding Approval – Car Park Extension at South Elmsall

The Committee considered a funding request for £670k from the WY+TF, through delegation to the Managing Director, to progress the South Elmsall Rail Station Car Park Extension scheme through Decision Point 5 to Activity 6. The scheme would provide an additional 53 parking bays, CCTV, lighting and future proofing for EV charging. The construction costs also included ground remediation work, additional drainage and resurfacing of the existing car park.

(ii) Request for Decision Point 5 (Gateway 3) Delegated Approval – Car Park Extensions at Seven Locations

Members considered a request for the Managing Director to exercise his delegated authority to progress Rail Car Park Extensions at the following seven locations through Decision Point 5 to Activity 6:

- Hebden Bridge (81 additional spaces, forecasted spend £1.23m)
- Mytholmroyd (203 additional spaces, forecasted spend £3.64m)
- Shipley (84 additional spaces, forecasted spend £2.55m)
- Steeton & Silsden (70 additional spaces, forecasted spend £2.53m)
- Fitzwilliam (108 additional spaces, forecasted spend £650,000)
- Mirfield (89 additional spaces, forecasted spend £1.69m)

- Normanton (189 additional spaces, forecasted spend £1.44m)

It was noted that delegated approval would allow work on Activity 6 to commence two months earlier on some projects and accelerate individual project delivery. The progression would be subject to the current approved project costs as set out in paragraph 2.34 of the submitted report not increasing more than 10% for each individual project.

Wakefield Kirkgate

It was noted that WYCA had approved Outline Business Case Activity 3 funding for total scheme costs of £5.9m. A tender process had been carried out and the agreed price was £2.573m compared to the estimated tender price of £2.995m. A number of additional items which were detailed in the submitted report had been included into the project scope and these, together with the reduced tender return had resulted in a lower scheme cost of £5.556m with an improved benefit cost ratio. Wakefield Council were now seeking approval to sign the contract for scheme delivery and start works on site (Activity 6) and the Committee was asked to consider recommending the funding request to WYCA for approval.

Projects in Stage 3 – Programme Committed

York Central – Stage 3 Variation

Councillor Gillies reported that following the WYCA willingness to consider a further £2m of funding for the York Central project, City of York Council had advised that the HCA will fund the whole of the site assembly costs for this phase, therefore the request for WYCA funding was being withdrawn at this time, although a further bid could be made in the future. This news was welcomed by the Committee as it enables WYCA to support other projects and achieve further outputs with the Local Growth Funding.

Resolved:

- (i) To recommend through delegation to the Managing Director approval of £286k grant funding for the **Leeds A6110 Outer Ring Road Improvements** to fund project development of the Outline Business Case through Activity 3.
- (ii) To recommend to WYCA that the **Parking Extensions and Rail Stations** Proposal is accepted into the portfolio (ie. Satisfies Activity 1) and that funding of £138k be approved to carry out the pre-feasibility work. The project will be funded from the WY+TF.
- (iii) To recommend through delegation to the Managing Director approval of £140k for the **A629 Halifax to Huddersfield Corridor Improvements** to fund the baseline monitoring and evaluation activity, enabling the first delivery phase (Phase 1a) to progress through the PMO process.

- (iv) To recommend through delegation to the Managing Director approval of £670k for the **South Elmsall Rail Station Car Park Extension** to progress through Decision Point 5 to Activity 6, to deliver the preferred solution. The project will be funded from the WY+TF.
- (v) To recommend through delegation to the Managing Director, in order to accelerate delivery, that **Rail Car Park Extensions at Hebden Bridge, Mytholmroyd, Shipley, Steeton & Silsden, Fitzwilliam, Mirfield and Normanton** be progressed through Decisions Point 5 to Activity 6 to deliver the schemes subject to the current approved costs as set out in the submitted report not increasing by more than 10%. This will be funded from the WY+TF.
- (vi) To recommend to WYCA approval of £5.556m for the **Wakefield Kirkgate** scheme to progress through Decision Point 5 to Activity 6 to deliver the scheme.
- (vii) That, at the request of City of York Council, the request for an additional loan to accelerate the delivery of the **York Central** project be withdrawn although a further bid may be submitted in the future.

28. Leeds Transport Strategy – Post NGT

The Committee considered a report on the development of the Leeds Transport Strategy following the decision by the Government not to proceed with the NGT (New Generation Transport) trolleybus system but to make £173.5m funding available for “public transport improvements in Leeds”.

It was noted that a Strategic Outline Case had been submitted to the Department of Transport (DfT) and, following approval, the Investment Committee would have responsibility for assurance of the programme and the individual projects within it.

Members discussed the Investment Programme which was attached at Appendix 2 to the submitted report. This included a package of initiatives for transforming the bus network and the development of new rail stations. In welcoming the proposals for the city, comment was made that access from all districts to the Airport Parkway station was essential and it was noted that consultation was ongoing to build evidence for the case to improve public transport links and infrastructure across the whole of the City Region.

Further reports around the scope and delivery of the programme would be brought to future meetings of the Committee once a decision to proceed has been received from the DfT.

Resolved:

- (i) That the development of the Leeds Transport Strategy and Strategic Outline Case submission to the Department for Transport be noted.

- (ii) That the proposal to utilise the Growth Deal Assurance Framework (as used for West Yorkshire plus Transport Fund schemes) as the governance model for delivery of schemes including within the Strategic Outline Case submission be noted. Therefore, as with Growth Deal/Transport Fund schemes, the WYCA Investment Committee would have responsibility for assurance of the programme and the individual projects within it, following DfT approval.

29. Leeds City Region Growth Deal Assurance Framework

The Committee considered a report which provided an update on progress relating to changes proposed to the local Assurance Framework arising from its annual review, and with the recently issued “LEP National Assurance Framework”.

It was suggested that as the Assurance Framework was currently being updated to reflect changes to the Guidance published by the Department for Communities and Local Government (DCLG) in October 2016, that a copy of the document, with changes indicated, be circulated to members for comment. The Assurance Framework had to be approved by the LEP Board and the WYCA and WYCA’s Section 151/Section 73 officer (Chief Financial Officer) is required to write to HM Government by 28 February 2017 to certify that the Assurance Framework is compliant with the national framework.

Resolved:

- (i) That the development of the Leeds City Region Assurance Framework be noted.
- (ii) That a draft of the Assurance Framework with changes indicated be circulated to members.

30. LEP Loan 102: Stage 3 Variation

The Committee considered a report which provided information relating to LEP Loan 102 and to consider a proposal for the provision of grant funding of £200k.

In recommending the approval of grant funding, members asked that further updates be provided to the Committee.

Resolved:

- (i) To recommend through delegation to the Managing Director approval of grant funding of £200k, of which £150k will be spent in 2016/17 to support **LEP Loan 102**, and the further £50k subject to further consideration at a later date. The details of the final terms and conditions be progressed through delegation to the Managing Director.

- (ii) That further updates on progress be provided to the Committee.

Director: Melanie Corcoran, Director,
Delivery
Author: Lynn Cooper



ITEM 5

Report to: West Yorkshire & York Investment Committee

Date: 8 March 2017

Subject: Leeds City Region Growth Deal Delivery

1. Purpose

1.1. To update the Committee on:

- progress made in implementing, and achieving target expenditure on, Growth Deal (Rounds 1 and 2);
- work undertaken with Local Authority Partners in conjunction with the Investment Committee to drive delivery and spend;
- the outcome of the Annual Conversation following a second meeting which took place on 31 January 2017.

2. Growth Deal (Rounds 1 and 2) Expenditure and Delivery

2.1. The table below details 2016/17 expenditure by Priority as at end January 2017.

	Target spend 16/17	16/17 Spend to Jan 17	% of target	*Revised Forecast Spend 16/17
Priority 1 – Growing Business	£11.62m	£7.71m	66%	£10.23m
Priority 2 - Skills Capital	£29.40m	£9.56m	33%	£29.13m
Priority 3 – Clean Energy and Env. Resilience	£1.30m	£0.51m	39%	£0.91m
Priority 4a - Housing & Regeneration	£4.34m	£0	0%	£3.32m
Priority 4b - West Yorkshire + Transport Fund	£32.28m	£15.84m	49%	£29.68m
Priority 4c - Economic Resilience	£7.80m	£0	0%	£7.8m
Total	£86.75m	£33.62m		£81.07m

* Revised forecast as per Appendix A

2.2 The spend target for 2016/17 was £86.75m, following the monthly monitoring of the Programme, which reviewed spend up to the end of January 2017, the spend forecast has been revised down to £81.07m. Total expenditure stands at £33.62m

with a further £47.45m required to achieve the revised forecast. A review has been undertaken to identify issues or actions required in order to ensure that this revised forecast expenditure can be achieved. The most significant risks to achievement of spend are:

Priority 1 – All projects within this priority are expected to spend at forecast level except for the **Huddersfield Incubation and Innovation Programme**. The legal agreement is not in place for this project as financial information is awaited from the University to inform the overage agreement. This is now unlikely to be signed before the end of March 2017. As no expenditure has been incurred by the project sponsor there can be no accrual of expenditure for 2016/17 therefore it is expected that there will be an underspend of the full allocation £1.9m. This has been factored into the revised forecast.

Priority 2 – The major area of risk which has previously been flagged related to spend on the **Leeds City College Quarry Hill** project which is forecast to spend £10m this year. Whilst the project is still at risk the proposed separation of the grant and loan agreements (considered elsewhere on this agenda) should allow the majority of spend to be incurred this year.

Two other projects **Leeds City College Printworks** and **Kirklees Dewsbury Development** are expected to have some underspend, £850k and £900k respectively. This represents a worst case scenario but has been factored into the revised forecast.

Priority 3 – Funding approval for the **Energy Accelerator** project is still awaited from the European Investment Bank. Even if this is received this year the project will not commence, consequently there will be an underspend circa £42k.

The **Leeds District Heat Network** is seeking additional funding and will not now spend any Growth Deal funding this year.

Priority 4a – No expenditure has yet been paid by WYCA as at end January 2017 on any of the Housing and Regeneration projects. Whilst expenditure has been incurred by project sponsors payment is subject to governance processes / legal agreements which will need to be finalised in February / early March.

Priority 4b – Some slippage has been identified on **Aire Valley Park and Ride** due to on site delays. The main risk to expenditure is on the pipeline of projects which are currently spending feasibility and development. There is concern that the expenditure on these projects has not been accurately profiled, review of each project is now being undertaken to establish an accurate forecast both for 2016/17 and 2017/18. Some reductions already identified have now been factored in to the revised forecast.

Priority 4c – Legal agreements on the Economic Resilience projects are currently being finalised, the full payments will be made as soon as these are in place.

Dashboard Report

- 2.3. In January 2017 a West Yorkshire Investment Committee Member/Officer Workshop was held (further details in Section 3 below) and dashboard reporting was considered. It was proposed that a revised dashboard template for reporting spend against allocation and forecast and providing a RAG rating analysing progress to date should be considered by the Investment Committee. This Dashboard Report has now been populated with details of all approved projects and is attached at Appendix A. In future this Dashboard Report will be updated and reported at each Investment Committee. Also attached for information is a list of the West Yorkshire Plus Transport Fund pipeline projects in Appendix B.
- 2.4. In determining the RAG rating for each project it is important to ensure the criteria used is as simple as possible to avoid confusion. The RAG Rating for the 2016/17 has/will be assessed based on the following criteria:
- actual expenditure against forecast;
 - risk of not achieving forecast spend.
- 2.5. It is proposed that from 2017/18 the RAG rating criteria should be amended to include:
- % forecast outturn against annual allocation
 - % actual expenditure against quarterly spend profile
 - risk of not achieving full expenditure of annual allocation (this will take in to consideration the amount of annual allocation included in the final quarter as expenditure heavily weighted in the last quarter of the year represents a significant risk of underspend)

3. Delivery of Growth Fund Programmes

- 3.1 On 25 January 2017 a workshop, involving Investment Committee members and local authority officers, was held to consider delivery and expenditure on the Growth Deal Programme, in particular Transport and Housing and Regeneration activity. The event was successful in addressing key issues and identifying both projects and methodologies aimed at accelerating Programme expenditure and achieving its objectives. The main outcomes included:

WY+TF Transformational Projects – the criteria for these was agreed and is attached as Appendix C. It is proposed that Investment Committee recommend the criteria for approval. Projects from three local authorities, where the proposals are well advanced, will be brought forward for consideration to the Investment Committee in June. Further proposals are currently being developed by the remaining three local authorities and these will be submitted for consideration later in 2017/18.

- 3.2 The following principles were proposed to manage the delivery of the Growth Deal programmes:

Over-programming – the principal of over-programming by up to 30% should be considered by the Investment Committee. Many of our district partners over-programme on their capital programmes to ensure spend. It is proposed that the Growth Fund is over-programmed from 2017/18 by up to 30% over a three year programme.

Consistent data reporting - It is proposed that across the partnership we measure progress on spend against agreed allocations for each individual project (or Programme) as appropriate. Allocations will be clearly communicated at the start of the financial year and any amendments/adjustments will be updated within year as appropriate. We are currently seeking an interim solution to reporting and monitoring in advance of the Portfolio Information Management System (PIMS) being implemented and District partners and WYCA will have access to the same data on schemes.

Accountability – we will confirm the Senior Responsible Officer (SRO) for each project/programme allocation and this will be reported in the Dashboard Reports.

Resourcing – there are resource implications associated with the acceleration of projects. It is proposed to address this initially in relation to WY+TF projects through external recruitment.

1. It was agreed that, in the medium/longer term, a Resource Strategy would be developed.
2. It is proposed that WYCA lead a recruitment campaign to appoint a pool of resources that can be seconded to partners to progress identified WY+TF schemes. There is a risk that this could result in WYCA recruiting existing local authority staff which would not lead to additional resource, just movement of staff. It is therefore proposed that where applicants are currently employed by district partners we first explore secondment opportunities in order to support staff development and progression. We propose to recruit 20-25 FTE's across a range of skills including Project Management, Programme Management, Civil Engineering and Transport Planning. Where we are not able to fill all vacancies, or there is a delay in these resources starting we will explore ad hoc consultancy support where there are short-term requirements;
3. We will fill any medium term gaps by appointing a Strategic partner to work jointly with us to cover key roles and deliver identified tasks within agreed time frames.
4. A further Investment Committee/Officer Workshop/meeting will be held in April 2017 to better understand our priorities across West Yorkshire.

4. Annual Conversation 2016

4.1 The second meeting of the Annual Conversation with the Cities and Local Growth Unit (CLOG) took place on 31 January 2017. This meeting included a review of proposals submitted by WYCA to achieve full required expenditure for 2016/17 and review planned spend, profiled by quarter, for 2017/18. The main purpose of this second meeting was to provide further information to feed into Government consideration in relation to the payment of Local Growth Fund (LGF) in 2017/18.

4.2 The following areas were considered:

- A revised forecast spend profile for the lifetime of the Programme and a full Programme Plan (including details of each project);
- Proposal detailing how the full expenditure of the £127.66m in 2016/17 would be achieved through spend on Growth Deal of £86.75m and the offset of other planned capital expenditure of £40.9m; (note: following the revised spend forecast further offset of capital will be required)
- Planned measures to maximise Growth Deal expenditure both in 2016/17 and in future years.

4.3 The Section 151 Officer confirmed at the meeting that the Assurance Framework was being finalised and that a letter confirming its implementation would be provided by the required deadline of 28 February 2017. The final version will be published on the WYCA website by the end of February.

4.4 The conclusion of the meeting was positive, CLOG will now report to the Department of Business Energy and Industrial Strategy and the Department of Communities and Local Government before agreement on the 2017/18 LGF payment is finalised.

5. Financial Implications

5.1. As set out in the report.

6. Legal Implications

6.1. There are none arising directly from this report.

7. Staffing Implications

7.1. Recruitment of an additional 20-25 FTE is required to accelerate spend on schemes in the WY+TF. This will be funded through the WY+TF.

8. Recommendations

8.1. That the Investment Committee notes the progress in delivering the Growth Deal (Rounds 1 and 2).

- 8.2 That the Investment Committee endorses the criteria for assessing RAG ratings for 2017/18 as detailed in Section 2.3.
- 8.3 That the Investment Committee endorses the WY+TF Transformation Projects funding criteria as set out at Appendix B.
- 8.4 That the Investment Committee endorses the principles of over-programming by up to 30% over a three year programme period.
- 8.5 That IC support WYCA to lead a recruitment campaign to appoint 20-25 FTE's to accelerate project deliver in the WY+TF.

9. Background Documents

- 9.1. None.

Appendix A Growth Deal Dashboard



Last Updated: January 2017

Project name	Senior Responsible Officer	Previous years spend	In-year spend and RAG rating (2016/17)						Future forecast spend			
		2015/16	Annual allocation	Agreed annual forecast	Actual spend to date (Apr. 2016 to Jan 2017)	Forecast spend (Feb. and Mar. 2017)	Total of actual and forecast	RAG rating	2017/18	2018/19	2019/20	2020/21
Business Growth Programme	Sue Cooke	£6,660,742	£7,517,221	£7,883,462	£7,130,205	£753,257	£7,883,462	GREEN	£3,455,796	£0	£0	£0
Access to Capital Grants Programme	Sue Cooke	£0	£2,000,000	£348,666	£568,776	£249,890	£818,666	GREEN	£1,568,954	£4,889,644	£4,352,397	£4,070,340
Huddersfield Incubation & Innovation Programme	Liz Town-Andrews	£0	£1,890,000	£1,890,000	£10,428	£13,540	£23,968	RED	£2,946,134	£0	£0	£0
Leeds University Innovation Centre	Ceri Williams	£0	£1,500,000	£1,500,000	£0	£1,500,000	£1,500,000	AMBER	£1,530,000	£0	£0	£0
		£6,660,742	£12,907,221	£11,622,128	£7,709,409	£2,516,687	£10,226,096		£9,500,884	£4,889,644	£4,352,397	£4,070,340
Round 1 - Shipley College Mill	Nav Chohan	£119,000	£0	£0	£0	£0	£0	Project complete	£0	£0	£0	£0
Round 1 - Leeds City College Printworks	Jane Pither	£933,800	£8,064,558	£7,791,342	£2,968,388	£4,246,170	£7,214,558	AMBER	£850,000	£0	£0	£0
Round 1 - Calderdale College	Denise Cheng Carter	£2,000,000	£2,977,000	£2,977,000	£2,410,790	£566,210	£2,977,000	GREEN	£0	£0	£0	£0
Round 1 - Kirklees College	Ian Webster	£3,000,996	£100,000	£100,000	£0	£100,000	£100,000	GREEN	£0	£0	£0	£0
Round 2a - Wakefield College	John Foster	£0	£3,227,319	£3,227,319	£3,227,319	£99,814	£3,327,133	GREEN	£0	£0	£0	£0
Round 2a - Selby College	Liz Ridley	£0	£672,936	£672,936	£396,944	£275,992	£672,936	GREEN	£20,812	£0	£0	£0
Round 2a - Shipley College Salt Building	Nav Chohan	£0	£291,000	£291,000	£291,000	£0	£291,000	GREEN	£9,000	£0	£0	£0
Round 2a - Bradford College	Andy Welsh	£0	£250,000	£250,000	£0	£242,500	£242,500	GREEN	£7,500	£0	£0	£0
Round 2b - Leeds College of Building	Ian Billyard	£0	£10,050,000	£1,293,122	£132,107	£1,161,015	£1,293,122	GREEN	£7,856,878	£2,600,000	£150,000	£0
Round 2b - Kirklees College Learning Village	Ian Webster	£0	£5,500,000	£2,494,705	£0	£2,701,905	£2,701,905	RED	£7,029,313	£1,240,000	£150,000	£0
Round 2b - Leeds City College Quarry Hill	Jane Pither	£0	£7,500,000	£10,000,000	£0	£10,000,000	£10,000,000	RED	£14,820,000	£8,130,000	£450,000	£0
Priority 2 WYCA Delivery Costs	Kate Thompson	£176,404	£305,141	£305,141	£132,759	£172,382	£305,141	N/A	£310,292	£313,395	£158,264	£0
		£6,230,200	£38,937,954	£29,402,565	£9,559,308	£19,565,988	£29,125,296		£30,903,795	£12,283,395	£908,264	£0
Resource Efficiency Fund	Sue Cooke	£103,123	£114,286	£65,392	£12,220	£18,487	£30,707	AMBER	£306,977	£251,163	£145,116	£0
Energy Accelerator	Colin Blackburn	£50,636	£192,000	£326,203	£71,567	£15,000	£86,567	RED	£490,986	£192,000	£0	£0
Leeds District Heat Network	David Outram	£0	£7,000,000	£231,514	£2,935	£0	£2,935	RED	£4,867,923	£2,129,142	£0	£0
Tackling Fuel Poverty (Phases 1,2,&3)	Colin Blackburn	£0	£400,000	£660,000	£419,093	£352,500	£771,593	GREEN	£2,670,000	£1,548,500	£0	£0
Priority 3 pipeline	Kate Thompson	£0	£0	£18,000	£0	£18,000	£18,000	N/A	£300,000	£707,623	£0	£0
		£153,759	£7,706,286	£1,301,109	£505,815	£403,987	£909,802		£8,635,886	£4,828,427	£145,116	£0
East Leeds Housing Growth - Red Hall	Martin Farrington	£2,000,000	£1,000,000	£500,000	£0	£500,000	£500,000	RED	£1,500,000	£0	£0	£0
East Leeds Housing Growth - Brownfield Sites	Martin Farrington	£0	£0	£0	£0	£0	£0	N/A	£1,100,000	£0	£0	£0
Halifax Town Centre (Northgate House)	Mark Thompson	£300,000	£1,000,000	£0	£0	£0	£0	RED	£1,000,000	£0	£0	£0
One, City Park, Bradford	Shelagh O'Neill	£400,000	£0	£0	£0	£0	£0	N/A	£0	£1,600,000	£2,200,000	£1,000,000
Barnsley Town Centre	David Shepherd	£1,757,000	£0	£0	£0	£0	£0	GD Expenditure Complete	£0	£0	£0	£0
Kirklees Housing sites	Jacqui Gedman	£200,000	£200,000	£200,000	£0	£280,000	£280,000	AMBER	£200,000	£207,774	£0	£0
Bath Road, Leeds	Martin Farrington	£580,000	£0	£0	£0	£0	£0	N/A	£0	£0	£0	£0
Bradford Odeon	Shelagh O'Neill	£0	£325,000	£0	£0	£0	£0	RED	£325,000	£0	£0	£0
Forge Lane, Kirklees	Paul Kemp	£0	£2,860,000	£1,500,000	£0	£0	£0	RED	£0	£4,600,000	£0	£0
York Central	Neill Ferris	£0	£2,550,000	£1,650,000	£0	£1,650,000	£1,650,000	AMBER	£900,000	£0	£0	£0
Wakefield Civic Quarter	Andy Wallhead	£0	£500,000	£300,000	£0	£200,000	£200,000	AMBER	£900,000	£0	£0	£0
York Guildhall	Neill Ferris	£0	£0	£0	£0	£500,000	£500,000	AMBER	£1,400,000	£0	£0	£0
Priority 4 H&R pipeline	Various	£0	£2,900,000	£0	£0	£0	£0	N/A	£0	£5,110,000	£2,490,000	£535,259
Priority 4a (H&R) WYCA Delivery Costs	Kate Thompson	£144,959	£0	£193,494	£0	£193,494	£193,494	N/A	£206,861	£208,930	£211,019	£0
		£5,381,959	£11,335,000	£4,343,494	£0	£3,323,494	£3,323,494		£7,531,861	£11,726,704	£4,901,019	£1,535,259
Wakefield Eastern Relief Road	Neil Rodgers	£15,284,765	£16,760,298	£13,898,025	£11,721,399	£2,713,836	£14,435,235	GREEN	£0	£0	£0	£0
		£0		£800,000	£0	£0	£0		£0	£0	£0	£0
Aire Valley Park and Ride	Gary Bartlett	£277,672	£7,210,000	£8,050,328	£2,976,550	£2,629,249	£5,605,799	AMBER	£2,711,334	£0	£0	£0
		£0	£0	£733,000	£0	£733,000	£733,000		£0	£0	£0	£0
Wakefield City Centre - Phase 1 Kirkgate	Neil Rodgers	£72,878			£51,990	£28,361	£80,351	AMBER	£5,402,771	£0	£0	£0
Priority 4 T pipeline (see Appendix B)	Various	£2,389,450	£17,076,437	£7,555,423	£346,866	£7,045,435	£7,392,301	RED	£43,922,307	£67,631,080	£81,113,539	£52,359,537
Priority 4b (WYTF) WYCA Delivery Costs	Kate Thompson	£1,570,197	£1,240,000	£1,243,928	£741,487	£692,441	£1,433,928	N/A	£1,000,000	£1,000,000	£1,000,000	£1,000,000
Proposed borrowing									£0	£0	£12,299,198	£23,199,485
		£19,594,962	£42,286,735	£32,280,704	£15,838,293	£13,842,322	£29,680,615		£53,036,412	£68,631,080	£69,814,341	£30,160,052
Mytholmroyd Flood Alleviation (GD3)	Adrian Gill	£0	£0	£2,500,000	£0	£2,500,000	£2,500,000	AMBER	£0	£0	£0	£0
Leeds Flood Alleviation (GD3)	Martin Farrington	£0	£0	£3,800,000	£0	£3,800,000	£3,800,000	AMBER	£0	£0	£0	£0
Skipton Flood Alleviation (GD3)	Adrian Gill	£0	£0	£1,500,000	£0	£1,500,000	£1,500,000	AMBER	£0	£0	£0	£0
		£0	£0	£7,800,000	£0	£7,800,000	£7,800,000		£0	£0	£0	£0
Total Growth Deal expenditure		£38,021,622	£113,173,196	£86,750,000	£33,612,824	£47,452,479	£81,065,303		£109,608,838	£102,359,250	£80,121,137	£35,765,651

Appendix B WY+TF pipeline



Last updated January 2017

	Responsibility			Forecast start date	2016/17				
	Senior Responsible Officer	WYCA Programme Manager	Project Manager		Q1	Q2	Q3	Q4	Total 16/17
Bradford Interchange Station Gateway	Julian Jackson	Jess McNeill	Helen Morgan	2019/20	£0	£0	£0	£47,402	£47,402
Bradford FS Station Gateway	Julian Jackson	Jess McNeill	Helen Morgan	Q1 18/19	£0	£0	£0	£92,554	£92,554
A650 Tong Street	Julian Jackson	Jess McNeill	Andrew Smith	Q1 19/20	£0	£0	£0	£34,977	£34,977
Bradford to Shipley Corridor	Julian Jackson	Jess McNeill	Not yet allocated	Q4 19/20	£0	£0	£0	£19,738	£19,738
SE Bradford Access Rd	Julian Jackson	Jess McNeill	Not yet allocated	2019/20	£0	£0	£0	£95,000	£95,000
Harrogate Road New Line	Julian Jackson	Jess McNeill	Henry Bak	Q218/19	£0	£0	£0	£297,374	£297,374
A650 Hard Ings Road - Phase 1: Hard Ings Road Only	Julian Jackson	Jess McNeill	Richard Bruce	Q3 18/19	£0	£0	£0	£169,652	£169,652
Halifax Station Gateway	Mark Thompson	Jess McNeill	Debbie Teece	2018/19	£0	£0	£0	£97,668	£97,668
A629 Phase 1a: Jubilee Road to Free School Lane	Mark Thompson	Jess McNeill	Richard Binks	17/18	£0	£0	£0	£1,777,526	£1,777,526
A629 Phase 1b: Elland Wood Bottom to Jubilee Road	Mark Thompson	Jess McNeill	Richard Binks	Q1 18/19	£0	£0	£0	£430,000	£430,000
A629 Phase 2a: Eastern Gateway & Station Access improvements	Mark Thompson	Jess McNeill	Jenny Marshall	2017/18	£0	£0	£0	£240,857	£240,857
A629 Phase 2b: Northern gateway and Bus Interchange/Hubs	Mark Thompson	Jess McNeill	Debbie Teece	Q4 17/18	£0	£0	£0	£337,160	£337,160
A629 Phase 2c: Southern and Western Gateways	Mark Thompson	Jess McNeill	Jenny Marshall	Q1 19/20	£0	£0	£0	£30,257	£30,257
A629 Phase 4: Ainley Top	Mark Thompson	Jess McNeill	Not yet allocated	2020/21	£0	£0	£0	£9,380	£9,380
A641 Bradford - Huddersfield Corridor	Mark Thompson	Jess McNeill	Sarah Callaghan	Q4 19/20	£0	£0	£3,750	£31,250	£35,000
Huddersfield Station Gateway	Richard Hadfield	Jess McNeill	Peter Stenulius	2018/19	£0	£23,500	£20,000	£0	£43,500
A629 Phase 5 - Ainley Top into Huddersfield	Richard Hadfield	Jess McNeill	Steven Hanley	2018/19	£0	£0	£0	£50,000	£50,000
A653 Leeds to Dewsbury Corridor	Richard Hadfield	Jess McNeill	Keith Bloomfield	2019/20	£0	£0	£0	£0	£0
M62 Junction 24a	Richard Hadfield	Jess McNeill	Tim Lawrence	2019/20	£0	£0	£0	£10,000	£10,000
A62 and A644 Corridors incorporating Cooper bridge	Richard Hadfield	Jess McNeill	Keith Bloomfield	Q2 20/21	£0	£0	£0	£0	£0
Leeds Station Gateway - New station Street	Liz Hunter	Lisa Childs	Helen Morgan	2017/18	£0	£6,576	£10,546	£106,378	£123,500
Leeds Station Gateway - Yorkshire Hub	Liz Hunter	Lisa Childs	Rebecca Cheung	2018/19	£0	£0	£0	£0	£0
Leeds ELOR and North Leeds Outer Ring Road	Gary Bartlett	Lisa Childs	Oliver Priestley (LCC)	2017/18	£0	£0	£0	£1,480,000	£1,480,000
A65-LBIA Link Road	Gary Bartlett	Lisa Childs	Mark Philpott (LCC)	Q3 20/21	£0	£0	£0	£300,000	£300,000
Leeds City Centre Network and Interchange Package	Gary Bartlett	Lisa Childs	Paul Foster (LCC)	Q3 20/21	£0	£0	£0	£250,000	£250,000
East Leeds Parkway	Liz Hunter	Lisa Childs	To be identified	0.00 m	£0	£0	£0	£0	£0
Castleford Station Gateway	Neil Rodgers	Lisa Childs	To be identified	0.00 m	£0	£0	£9,000	£73,500	£82,500
Glasshoughton Southern Link Road	Neil Rodgers	Lisa Childs	Chris Dunderdale / Paul Stephenson	Q1 2015	£0	£0	£8,733	£20,000	£28,733
Castleford Growth Corridor Scheme	Neil Rodgers	Lisa Childs	Brian Thomas (WCC)	2017/18	£0	£0	£76,993	£23,000	£99,993
Wakefield City Centre Package Phase 1 Kirkgate	Neil Rodgers	Lisa Childs	Paul Stephenson (WCC)	Q3 17/18	£0	£67,942	£15,287	£58,192	£141,421
Fitzwilliam Country Park and Rail Car Park	Neil Rodgers	Rachel Jones	Lucy Eyeington (WCC)	2017/18	£760	£0	£0	£141,421	£142,181
Rail Station Car Parks	Melanie Corcoran	Rachel Jones	Peter Coello	2016/17	£18,905	£686	£-2,000	£653,799	£671,390
UTMC (formerly HNEP)	Richard Hadfield	Rachel Jones	Dave Caborn (Kirklees)	2016/17	£0	£55,488	£-2,000	£30,000	£83,488
Corridor Improvement Programme (formerly HEBP)	Melanie Corcoran	Rachel Jones	tbc	2016/17	£0	£0	£2,000	£2,000	£4,000
Calder Valley Line / Elland Station	Chris Mason	Jess McNeill	tbc		£0	£0	£0	£0	£0
York Central Access	Neil Ferris	Rachel Jones	Catherine Binks (CoYC)		£0	£0	£0	£35,000	£35,000
York Northern Outer Ring Road	Neil Ferris	Rachel Jones	Gary Frost (COYC)		£0	£0	£0	£97,350	£97,350
Aire Valley, Leeds Integrated Transport Package – Phase 2: Highway Access	Neil Ferris	Jess McNeill	Tony Clarke		£0	£0	£0	£0	£0
Wakefield City Centre Package Phase 2 Ings Road	Neil Rodgers	Lisa Childs	Paul Stephenson (WCC)		£0	£0	£0	£0	£0
Aire Valley, Leeds Integrated Transport Package – Phase 3: Motorway Junction Improvements	Gary Bartlett	Lisa Childs	Paul Foster (LCC)		£0	£0	£0	£0	£0
Tong Street New Link	Julian Jackson	Jess McNeill	Andrew Smith		£12,000	£2,700	£16,000	£4,000	£34,700
A6110 Outer Ring Road Leeds	Gary Bartlett	Lisa Childs	Paul Foster (LCC)		£0	£0	£0	£0	£0
Clifton Moor Park and Ride	Neil Ferris	Rachel Jones	Not yet allocated		£0	£0	£0	£0	£0
					£31,665	£156,892	£158,309	£7,045,435	£7,392,301

WY+TF Transformational Projects

The approved WY+TF programme includes £12.5m allocated to the development of 'transformational projects', which will be delivered post 2025. When the WY+TF was endorsed by WYCA in December 2014 the following outline was included regarding transformational projects:

“for development work to influence government and other partners to justify future transformational investments such as rail electrification, airport access, rolling out of mass transit (tram-train and/or NGT for example) and preparing for HS2 and HS3”.

Proposed criteria for Transformational Projects

Officers have been working on developing the criteria for transformational projects. An individual project does not necessarily need to be able to demonstrate it meets all the criteria below at this stage, but the more it can demonstrate, the higher the priority it will be given.

The proposed criteria are as follows:

- Any funding allocated would be for strategic scoping, master planning and concept designs. Funding for business case development and delivery will need to be secured subsequently from other funding sources;
- The projects should identify early whether delivery is planned for pre 2021, 2021-2025 or post 2025;
- The work would establish the strategic case for brand new projects;
- The work would assess the contribution the scheme (i.e. transformational transport projects) could make to the WY/LCR economic growth potential (jobs created/houses built and in line with SEP/growth fund priorities and emerging Transport Strategy priorities);
- Any projects would need to assess the inter-dependencies with existing/future LDF allocations (post 2030) and potentially shape appropriate land use activity in order to increase the GVA/£ ratio;
- Transformational projects will unlock significant new or existing tracts of housing/employment land;
- The work would need to assess the future resilience the scheme would contribute in terms of flooding and improved air quality through the delivery of blue-green infrastructure;
- Transformational could also be taken as meaning a transport project that would (additionally to an economic impact) affect travel behaviour in a significant way;
- The cross boundary impacts of unlocking significant tracts of land (particularly for housing) should be considered; and
- Consideration of schemes that would enhance or align with other funding schemes or programmes should be considered. (e.g. Schemes may consider extending proposals for key corridors and/or rapid transport options that are cross-boundary and have links with other programmes such as the Leeds Public Transport Investment Programme, or Highways England).

In short the work on transformational projects should align and influence the scale, nature and location of future LDF allocations. However, it should not be too prescriptive, as this may lead to overlooking potential impact led projects by focusing on output led projects.

Risks and Issues to Consider

1. The allocation of development/feasibility funding may not necessarily lead to projects being developed/delivered, which would challenge any funding from capital budgets.

There is clearly a risk in expending speculative funds on projects for which no capital funding is available for delivery. We would expect to see a high proportion of these schemes progressing to delivery. It is possible the delivery of these schemes could be funded from WY+TF, and where there are insufficient funds available within the current WY+TF programme we would expect the development/feasibility to provide sufficient detail for a submission to other sources of funding (eg DfT, Highways England, ESIF etc) depending on the nature of the scheme.

2. Transformational schemes could take away crucial resources from current projects within the WY+TF programme. This will need to be carefully monitored and managed by scheme sponsors.

Director: Melanie Corcoran,
Director, Delivery
Author: Cath Cox / Emma
Wright



ITEM 6

Report to: West Yorkshire & York Investment Committee

Date: 8 March 2017

Subject: Capital Spending and Project Approvals

1. Purpose

- 1.1. To put forward proposals for the progression of, and funding for, a number of West Yorkshire Plus Transport Fund (WY+TF) and Growth Deal projects for consideration by the Investment Committee at Stages 1, 2 and 3. The Committee will recall that the three stage approach is being introduced as part of an enhancement to current project management arrangements, with the requirement that all projects subject to minor exceptions as detailed in the assurance framework, will as a minimum need to formally pass Decision points 2 and 5, highlighted in green below, with the requirement to meet the intervening activities deemed on a project by project basis.

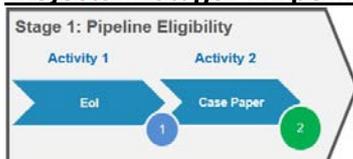


- 1.2. The Programme Appraisal Team (PAT) appraises all schemes at the decision points. The PAT consists of a panel of officers representing policy, legal, financial, assurance and delivery supplemented with external experts. The scheme promoters from the District Councils or Partner Delivery organisations attend the meeting to introduce the scheme and answer questions from the panel. The Terms of Reference for the PAT are contained within the recently updated Assurance Framework.
- 1.3. In accordance with the recently updated Assurance Framework, an overview of all scheme business cases and evaluation reports are published on the WYCA website. The published summary Business Cases are appended to this report

2. Information

- 2.1 Projects at the eligibility stage are seeking entry in to the portfolio and should demonstrate a strategic fit in terms of project outcomes, with further project definition including costs and detailed timescales to be developed as the project progresses through the pipeline. At this stage funding may be sought to enable this work to progress. Five such projects are set out in the following section.

Projects in Stage 1: Pipeline Eligibility



A629 Halifax to Huddersfield Corridor Phase 5 – Case Paper (Activity 2) **Background**

- 2.2 Improvements along the A629 corridor between Halifax and Huddersfield is one of the priority schemes programmed to be implemented as part of the Transport Fund programme. Corridor improvements under the Transport Fund will see a £120.6m transport package comprising multi-modal interventions which will improve journey time reliability, through a combination of road space reallocation and targeted junction improvements to address key congestion hot spots. Delivered in a number of phases over the next five years, it will also bring major transformations to Halifax town centre’s pedestrian environment, public transport network and infrastructure. The scheme is a crucial component in realising the Halifax Town Centre Delivery Plan aspirations, and unlocking key Local Plan growth sites.
- 2.3 The A629 interventions are being delivered jointly by Kirklees Council and Calderdale Council and has been split into phases to manage on site delivery and traffic management during construction phases. This funding request relates to the Phase 5 section being led by Kirklees Council and covers the section between Huddersfield Ring Road and Top roundabout.
- 2.4 The project will deliver realignment and widening of junctions, removal of carriageway parking and extend approach lanes to improve efficiency, create capacity and enable free flow of traffic at the follow key junctions:
- Blacker Road/Edgerton Grove Road/New North Road/Edgerton Road Junction
 - East Street/Birkby Road/Halifax Road Junction (Cavalry Arms Junctions)
 - Cavalry Arms to Birchencliffe Hill Road
 - Yew Tree Road to Ainley Top

- 2.5 The project sits alongside and in strong strategic support for many of the key areas and objectives within the SEP. The project aligns to delivery plan priorities for Transport, Housing and Regeneration and Infrastructure. The project will be delivered through Priority 4 – Infrastructure for Growth, the scheme will contribute to the SEP objectives of this priority of supporting the building of 10,000 to 13,000 new homes per year and deliver improved movement between towns and cities and through high quality transport and wider infrastructure.
- 2.6 Kirklees Council submitted an Expression of Interest which was approved by PAT on 10 January 2017, a Case Paper was approved by PAT on 8 February 2017 recommending the project move forward to Stage 2 and the funding request be approved.

A summary of the Project’s Expression of Interest is included in Appendix 1

Costs

- 2.7. A funding approval of £202k is now sought from the WY+TF which covers a repayment of £68k of costs incurred at risk by Kirklees Council and a forecast spend of £134k to undertake modelling, surveys and further feasibility design to get the project to Activity 3 - Outline Business Case.

Timescales

- 2.8 The project will seek approval of its Outline Business Case at Activity 3 in August 2017.

Project Responsibilities

- | | | |
|-----|-----------------------------|------------------------------------|
| 2.9 | Senior Responsible Officer: | Richard Hadfield, Kirklees Council |
| | Project Manager: | Steven Hanley, Kirklees Council |
| | WYCA Case Officer: | Jessica McNeill, WYCA |

Recommendation

- 2.10 That the Investment Committee recommends to the WYCA that funding of £202k is approved for the A629 Halifax to Huddersfield Corridor Phase 5 scheme to progress through Decision Point 2 to Activity 3 (Outline Business Case). That the Approval Pathway be amended so that scheme returns to PAT, Investment Committee and Combined Authority at Decision Point 3 to request further development costs and land acquisition costs.

Enterprise Zone Phase 2 (Part 2 Feasibility) – Case Paper (Activity 2)

Background

- 2.11 Enterprise Zones (EZs) are seen as a key part of the Government’s national agenda to devolve responsibility for growth and incentivise additional economic development.

The EZ Programme supports the SEP vision and the principle of ‘good growth’ by supporting delivery of innovation, good jobs/incomes and improving the quality of places. The EZs are also identified as Spatial Priority Areas in the SEP.

- 2.12 This feasibility forms part of a larger programme within the Growth Deal 3 submission at a strategic level. However, the release of this funding ahead of the programme allows scheme progression in terms of feasibility works. The LCR EZs comprise of the Leeds EZ (Phase 1) and nine further EZs announced in November 2015 (collectively referred to as LCR EZs – Phase 2). These further nine EZs become ‘live’ from 1 April 2017 which is when occupier incentives and CA business rate retention commences.
- 2.13 In order to develop the programme for the Phase 2 EZs, further feasibility and masterplanning work is required to identify the packages of site-specific interventions.
- 2.14 The feasibility work for phase 2 has been split into 3 parts. Part 1 relates to Clifton Business Park (Calderdale) EZ for which feasibility is already underway and due to complete by late March. This investment package relates to Part 2 comprising of the schemes highlighted in bold in the table above and Part 3, the remaining schemes.
- 2.15 The 10 sites are shown in the table below:

	Site	Phase	Part
1.	Leeds EZ	1	
2.	Clifton Business Park (Calderdale)	2	1
3.	Staithegate Lane (Bradford)	2	2
4.	Parry Lane (Bradford)	2	2
5.	Lindley Moor East (Kirklees)	2	2
6.	Langthwaite Business Park Extension (Wakefield)	2	2
7.	Gain Lane (Bradford)	2	3
8.	Lindley Moor West (Kirklees)	2	3
9.	Moor Park, Mirfield (Kirklees)	2	3
10.	South Kirkby Business Park (Wakefield)	2	3

- 2.16 The packages of feasibility work will confirm the business case, market demand, capital infrastructure requirements and physical constraints that need to be addressed to unlock these locations.
- 2.17 Any further capital funding requests will be brought through the Assurance Process and dealt with on a site-by-site basis. Such capital works may include, but are not limited to:
- Site levelling / remodelling
 - Highway access
 - Green infrastructure / flood and water management
 - Ground investigations and contamination testing

- Outline master planning / site design
- 2.18 The key economic outputs from this package of four sites (Phase 2, Part 2) include delivery of:
- Increases manufacturing floor space – Approx. 111,885m²
 - Increase in jobs – Approx. 2,692 new jobs
 - Businesses created – Up to 100
- 2.19 The full LCR EZs programme (10 sites) will be brought to Investment Committee and WYCA in June 2017 for consideration.

Timescales

- 2.20 The key milestones include for this package of feasibility work are:
- Commencement of tender process for feasibility studies – Late March 2017
 - Feasibility study results – June 2017

Costs

- 2.21 The package of Part 2 feasibility and master planning requires funding of £165k contribution from Growth Fund (total cost £270k). The remainder of the balance is derived from a £50k grant contribution from DCLG's Commercial Support Fund alongside District and landowner contributions of £55k.

Responsibilities

- 2.22 Senior Responsible Officer: David Walmsley, WYCA
 Programme/Project Manager: Justin Wilson, WYCA
 WYCA Case Officer: Chris Payne, WYCA

Recommendation

- 2.23 That the Investment Committee recommends to the WYCA that pre-feasibility funding of £165k is approved for EZ Phase 2 (Part 2) to enable the procurement of the feasibility work and that confirmation of the match funding and start of procurement be sent to DCLG. That the full programme is brought back to the PAT, Investment Committee and Combined Authority in June 2017 for consideration.

West Yorkshire Traffic Signal Asset Risk Avoidance – EOI (Activity 1)

- 2.24 To replace critically aged traffic signal equipment, which will reduce the risk of severe congestion and traffic delays on roads across West Yorkshire due to unplanned failure of traffic signal equipment. To ensure that signals on the Key Route Network are not at risk due to age.

- 2.25 To replace outdated Halogen equipment on all sites which are dependent on this outmoded equipment and eliminating the risk of unobtainable parts whilst reducing the carbon footprint and energy costs. The total scheme cost is £25.8m. This project will enable additional benefit from the WYTF single UTMC project as a newer more efficient stock can be better managed.
- 2.26 The January PAT meeting considered that the scheme in its current form did not adequately demonstrate strategic fit to the SEP and therefore does not meet the funding criteria. It was considered that the scheme has a stronger strategic fit with the Local Transport Plan (LTP). It has been agreed with the scheme promoter that other funding options, including possibilities of bringing forward this asset renewal as part of wider corridor improvements.

Projects in Stage 2: Pipeline Development



York Outer Ring Road (A1237) – Change Request (OBC) (Activity 3)

Background

- 2.27 In December 2014, WYCA approved a recommendation from the Investment Committee, for A1237 York Outer Ring Road project to progress through Gateway 1 (now Decision Point 3) within the WY+TF. This is a high priority project, both for the City of York Council (CoYC) and the WY+TF, and is forecast to be completed by 2022. £208k was approved from the WY+TF, as a contribution to develop the project to the next decision point with CoYC funding the remainder of the costs from their own resources.
- 2.28 Now that City of York Council (CoYC) is a full member of the WY+TF, and subject to a signed partnership agreement being in place, the full costs of developing the project to Decision Point 5 can now be funded from the Growth Deal. The full costs have been calculated as £2.45m.

A summary of the Project's Outline Business Case is included in Appendix 2.

Costs

- 2.29 A funding approval for an additional £2.24m is now sought from the WY+TF. Including the previously approved £208k, this would provide £2.45m to fund eligible development costs. The funding will be used to complete detailed design and full business case development on the A1237 York Outer Ring Road to Decision Point 5.

Timescales

- 2.30 City of York Council is planning a phased approach to delivery of the project, and is forecasting to submit an initial full business case at Activity 4 for a first phase of the

project in late 2017, depending on land acquisition. Further phases will follow subsequently.

Project Responsibilities

- | | | |
|------|-----------------------------|-----------------------------------|
| 2.31 | Senior Responsible Officer: | Neil Ferris, City of York Council |
| | Project Manager: | Tony Clarke, City of York Council |
| | WYCA case officer: | Rachel Jones, WYCA |

Recommendations

- 2.32 That the Investment Committee recommends to the WYCA that funding of £2.24m is approved for the York Outer Ring Road (A1237) scheme to continue to progress through to Activity 4 (Full Business Case).

A629 Halifax to Huddersfield Corridor Phase 1a – FBC (Activity 4)

Background

- 2.33 Improvements along the A629 corridor between Halifax and Huddersfield is one of the priority schemes programmed to be implemented as part of the Transport Fund programme. Corridor improvements under the Transport Fund will see a £120.6m transport package comprising multi-modal interventions which will improve journey time reliability, through a combination of road space reallocation and targeted junction improvements to address key congestion hot spots. Delivered in a number of phases over the next five years, it will also bring major transformations to Halifax town centre's pedestrian environment, public transport network and infrastructure. The scheme is a crucial component in realising the Halifax Town Centre Delivery Plan aspirations, and unlocking key Local Plan growth sites.
- 2.34 Phase 1a is the most progressed of all phases along the corridor and is considered as an enabling component to the subsequent Phase 1b works. Phase 1a incorporate the section of the A629 stretching from Jubilee Road in the south to Free School Lane/Skircoat Road in the north.
- 2.35 Key outcomes of the works undertaken during Phase 1a and the wider A629 corridor will comprise:
- Accessibility improved to and from Halifax, Huddersfield and key employment areas;
 - Accessibility/severance between surrounding business and residential areas is improved;
 - Increased cycle mode share to key attractions on the A629 for all modes;
 - Reduced levels of rat-running through Siddal and Exley;
 - Increased vehicle throughput;
 - Decrease in public transport journey time variability;
 - Decrease in end to end corridor journey times; and

- Improvement in air quality.
- 2.36 Phase 1a focuses these outputs and works on the following key junctions and locations:
- Jubilee Road to Dudwell Lane
 - Dudwell Lane Junction
 - Dryclough Lane Junction
 - Dryclough Lane to Shaw Hill/Free School Lane
 - Shaw Hill/Free School Lane Junction (works at this junction has been undertaken by Calderdale Council at risk)
- 2.37 The project contributes to the following key principals and objectives of the SEP:
- Delivery plan priorities for Transport, Housing and Regeneration and Infrastructure
 - Priority 4 – Infrastructure for Growth
 - Supporting the SEP priority of building of 10,000 to 13,000 new homes per year and deliver improved movement between towns and cities through high quality transport and wider infrastructure.

A summary of the project's Full Business Case is included in Appendix 3

Costs

- 2.38 The project secured Outline Business Case Activity 3 funding approval from WYCA on 12th March 2015 following a thorough peer review to ensure strategic objectives and outline business case were consistent with the SEP priorities and project objectives. Calderdale Council have now submitted a Full Business Case at Activity 4, which has also undergone a thorough peer review evaluation which took place on 15 February 2017 and the Full Business Case appraisal was presented to PAT on 22 February 2017. The Peer Review evaluation and PAT have recommended the scheme progress towards Activity 5, Finalise Costs.
- 2.39 Calderdale Council have undertaken elements of construction works on site at risk to manage and mitigate impact of works on traffic and have secured a number of land acquisitions needed for the delivery of the scheme. In addition they have undertaken a number of utilities advanced diversions to prepare the site for further construction works. They are now seeking repayment of these costs where the balance of the OBC funding allocation has been exceeded. Further land acquisitions and utility diversions are planned
- 2.40 A funding approval is now sought of £2.2m from the WY+TF to undertake further development works to take the project to Finalise Costs, Activity 5. This request comprises £1.5m to repay incurred costs at risk and £708k for further development works including final land acquisitions and further utility advanced diversions.

- 2.41 The full total cost of the scheme has increased from £4.574m to £8,505. The revised scheme cost includes the £1.5m incurred at risk and is broken down as shown below:

Construction	£5,272,886
Land	£598,000
Preparation	£521,426
Supervision	£300,000
Inflation	£206,505
Quantified Risk Assessment	£496,750
Optimism Bias/Contingency	£1,109,335
Total Scheme Cost	£8,504,902

- 2.42 Calderdale Council have gone out to tender to secure a contractor partner and are currently evaluating and undertaking due diligence of submitted bids. All of the bids received are below the full construction cost plan and within tolerances. In reflection of the submitted bids received and the knowledge and confirmation that the maximum budget allocation of £8.5m will not be exceeded and with clarification with Calderdale Council that any cost overruns are to be entirely at their risk, confirmation is now sought that entering into a contract at Activity point 5 is delegated to the Managing Director.

Project Responsibilities

- | | |
|----------------------------------|-----------------------------------|
| 2.43 Senior Responsible Officer: | Mark Thompson, Calderdale Council |
| Project Manager: | Richard Binks, Calderdale Council |
| WYCA Case Officer: | Jessica McNeill, WYCA |

Recommendation

- 2.44 That the Investment Committee recommends to the WYCA that funding of £2.2m is approved for A629 Halifax to Huddersfield Corridor Phase 1a to progress the scheme from Activity 4 (Full Business Case) through Activity 5 (Finalise Costs). That subsequent progression at Decision Point 5 to a maximum funding total of £8.5m is approved by delegation to the Managing Director.

Leeds City College – Quarry Hill – Change Request (Finalising Costs) (Activity 5) Background

- 2.45 The Quarry Hill project received CA approval on 1 December 2016 to deliver a new facility for healthcare and life sciences and digital, creative, performing arts and media. The approval was subject to addressing the outstanding risk of acquiring the land at Quarry Hill 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. The college have now signed the conditional contract for the Quarry Hill land acquisition.

- 2.46 In December, following planning approval, the college undertook a tender exercise for the main contract works. Due to a number of factors including location and planning requirements, higher than anticipated site abnormalities and the requirement of extra fire safety measures due to the height of the buildings the project costs are higher than originally estimated. The main works have been tendered on 'maximum price' which has resulted in a total project cost of £66m. The college have undertaken an extensive value engineering exercise and the project costs are now £57m.
- 2.47 The programme will also see a delay of 10 months to opening with practical completion in June 2019. Whilst the total project funding package is not currently in place, to mitigate delay to grant expenditure of £10m in 2016/17, it is proposed to sign the grant agreement by mid-March and progress the loan agreement (£8.8m) at a later stage if required. The final details of the loan agreement, including loan security will be presented to Investment Committee no later than September 2017 if required.

A summary of the project's Full Business Case is included in Appendix 4.

Costs

- 2.48 The total project cost is now forecast to be £57m. This has no impact on the grant request and the Authority's grant contribution remains at £33.4m. The shortfall in budget will be made up from remaining asset receipts and an increase in the college's long term loan facilities.

Timescales

- 2.49 The project will complete in June 2019 and the buildings will be occupied and in use in September 2019.

Project Responsibilities

- | | |
|----------------------------------|-----------------------------------|
| 2.50 Senior Responsible Officer: | Jane Pither, Leeds City College |
| Project Manager: | Louise Childs, Leeds City College |
| WYCA case officer: | Liz Courtney, WYCA |

Recommendations

- 2.51 That the Investment Committee approves the total cost increase (with no further grant increase) and recommends to the Managing Director an extension to the programme by 10 months and that the college utilises all receipts, from disposal of the three assets to cover the increase costs of the project, whilst any remaining surplus would return to the WYCA.

Leeds District Heat Network - Change Request (Finalising Costs) (Activity 5) Background

- 2.52 Leeds District Heat Network (LDHN) involves the construction of a new 6.4 kilometre District Heating Network (DHN) using super-insulated steel pipes, to connect the Recycling and Energy Recovery Facility (RERF) in the Aire Valley to customers across the City of Leeds. Heat will be extracted from the turbine in the form of steam which will be used to transfer heat to the DHN via a heat exchanger.
- 2.53 Initially the Network will be connected to tenants of Council-owned flats to the north of the city centre. ESIF funding has been secured to convert 22 tower blocks from electric heating to district heating, in order to connect to the spine DHN. The heat provided will result in savings on tenants' fuel bills and reduced greenhouse gas emissions. The network will be commissioned by the applicant, Leeds City Council (LCC) and they will seek other customers for heat across the city.
- 2.54 Following the submission of a Full Business Case (FBC), £7m was approved on 31st March 2016 for the Leeds District Heat Network. The Combined Authority (WYCA) recognised the benefits of the project and delegated the decision on an appropriate funding mechanism to the WYCA Director of Delivery, in consultation with the Chair of the Investment Committee. It was agreed that the funding should be split into a £3m loan and a £4m grant.
- 2.55 Leeds City Council (LCC) has submitted a revised Full Business Case to reflect a number of key changes to the project:
- i) The Council identified that they will need to pay business rates of £400,000 per annum to WYCA for the first 25 years of the Network's operation. This has led to the need to change the delivery model.
 - ii) The start had been delayed due to the complexity of the procurement, assembly of funding and securing sufficient anchor customers. Originally the project was due to spend £2.4m in 2016/17. At best, the project can now spend £0.2m in 2016/17 subject to approval.
 - iii) The total project cost has risen from £21m to £25m and the Council has amended LDHN's business model; reducing the forecast level of heat sales to customers.
 - iv) The number of jobs forecast to be created has risen from 5 to 15 as a result of the monitoring period extending from March 2021 to March 2025.

A summary of the project's Full Business Case is included in Appendix 5.

Proposed change request

- 2.56 In the revised full business case (FBC) the Council seeks a grant of £10m from WYCA. The remaining project costs will be met by a loan from the Public Works Loan Board (PWLB) and a new grant request for £4m from the Heat Network Investment Programme (HNIP). LCC make a firm case that the requirement to pay c£12.6m in

business rates to WYCA makes the project as it was originally conceived unviable. This argument is supported by the financial model supplied with the FBC.

- 2.57 It should be noted that the business rates are payable due to the location of a proposed new Energy Centre at Leeds Enterprise Zone. The rates are calculated based on not just the size of the Energy Centre, but the whole pipe network. Whilst the proposition of receiving £12.6m in rates looks attractive it should be noted that the timing and level of this funding is uncertain.
- 2.58 The revised FBC has been independently appraised and considered by the PAT. The appraisal concluded that LDHN is an innovative project with a high risk level in terms of delivery. The project has a vulnerable financial model – costs do not need to rise, or sales fall by more than 10% before it looks difficult for LCC to repay the loan from the PWLB. The Benefit Cost Ratio (BCR) submitted with the FBC shows that the project has weak value for money over a 5 year period, but becomes more attractive when considered over a 10 and 25 year period.
- 2.59 The ratings awarded to the project in appraisal are provided in the table below along with a high-level summary from the appraisal.

	RAG rating	Appraisal summary
Strategic Case	Amber	Good fit with the Strategic Economic Plan but poor fit with the Growth Deal which is the funding mechanism. If we fund this from Growth Deal we will need to fund other priority 3 projects from borrowing to deliver new jobs/homes outputs.
Commercial Case	Amber-Red	There is already secured demand for over half of the heat load from the Network but LCC needs to secure more customers. There is little evidenced demand and the business model is vulnerable to changes in sales and costs.
Economic Case	Amber-Red	LCC have quantified wider economic benefits beyond job creation including reduced pressure on the NHS due to health problems caused by inadequately heated properties. However, the project represents poor value for money and will not deliver significant Growth Deal outputs. WYCA is obliged to deliver job and homes outputs and needs projects that contribute to these targets.
Financial Case	Amber-Red	The applicant is financially robust and the payment of business rates of £12.6m is attractive. This has to be balanced against the vulnerable financial model and the risk that £4m from HNIP may not be secured. Costs have risen since the original FBC but are increasingly fixed as the conclusion of the procurement of suppliers reaches conclusion.
Management Case	Amber	The team behind the project is clearly competent and LCC is highly committed to the project. The risk analysis is strong. There are a number of hurdles which could prevent the project proceeding including failure to secure sufficient customers; failure to secure the Renewable

		Obligation Certificates (ROCs) need to support the financial model; and failure to secure match-funding.
--	--	--

Options for consideration by the Investment Committee

- 2.60 The FBC and case paper were considered by PAT in February and it was agreed that due to the scale of the change and the identified risks, the Investment Committee need to reconsider the project and indicate their preferred option. The PAT identified the following options for the Committee to consider:
- Confirm the current agreement to offer a £3m loan and a £4m grant;
 - Provide a £7m grant;
 - Provide a £10m grant,
 - Investment Committee recommend to the WYCA that the project in its revised form no longer be supported.
- 2.61 If the third option is selected we will need to identify where the additional £3m will be found as there is no unallocated funding in Priority 3. It may be necessary to reduce existing pipelines in order to free up the extra funding sought by Leeds City Council, as the Growth Deal is almost fully committed.
- 2.62 Should options a), b) or c) be selected, it is suggested that LCC are asked to evidence achievement of the following milestones before any funding from WYCA is released:
- Match-funding of £4m from HNIP is confirmed, as is funding from the PWLB.
 - The ROCs (Renewable Obligations Certificates) needed to support the LDHN's financial model are confirmed.
 - Sufficient customers are secured before the loan is fully drawn down. A definition of what constitutes sufficient demand to be agreed with LCC.
 - Confirmation from lawyers that LDHN can be funded within state aid rules.
- 2.63 Finally, it is suggested that a contractual condition is agreed that LCC undertakes to repay any funds drawn down from WYCA in the event that the project does not proceed.

Projects in Stage 3 – Delivery & Evaluation



Kirklees Housing Project - Change Request (Delivery) (Activity 6) Background

- 2.64 £1m of Local Growth Funding was approved for the Kirklees Housing Project by WYCA in July 2015. To date an agreement has been completed for a £1m Local

Growth Fund loan with a 2% interest rate applied and £200k was drawn down in 2015/16.

- 2.65 Since the initial project approval, there has been reconsideration of the 'loans first' principle and a more general focus on grant funding (with conditions) for Growth Fund projects with partner Local Authorities. In contrast to other similar loans which are interest free, the Kirklees Housing project is the only loan which has an interest rate applied. Kirklees Council feels that this is unfair and has asked WYCA to review this.
- 2.66 The Programme Appraisal Team considered the situation on 8 February and recommends to the Investment Committee that the terms of this loan should be changed, to bring it in line with other WYCA loans to partner authorities for Growth Funded projects. This will both support the viability of the project and will enable the Council to claim a proportion of the funding (£200k) as grant to support its project developments costs.

A summary of the project's Full Business Case is included in Appendix 6.

Proposed Change and Recommendation

- 2.67 That the Investment Committee recommends to the Managing Director to change the £1m loan at 2% interest to an interest free loan of £800k and a £200k project development grant to bring the Kirklees Housing project in line with other LGF projects and allow for the claiming of staff time as eligible project development costs.

3. Financial Implications

- 3.1 The report seeks endorsement to expenditure from the available Growth Deal funding as set out in this report.

4. Legal Implications, Access to Information

- 4.1. The payment of any funding received through the Local Growth Deal to any partner will be subject to a funding agreement being in place between the WYCA and the partner in question.

5. Staffing Implications

- 5.1 A combination of WYCA and District partner programme management resources are identified within the programme. The ability to secure external specialist resource is contained within the programme as well so that the resources are or will be in place in order to manage the delivery of any of the projects that may be recommended for funding from this paper.

6. Recommendations

- 6.1 That the Investment Committee recommends to the WYCA that funding of £202k is approved for the A629 Halifax to Huddersfield Corridor Phase 5 scheme to progress through Decision Point 2 to Activity 3 (Outline Business Case). That the Approval Pathway be amended so that scheme returns to PAT, Investment Committee and Combined Authority at Decision Point 3 to request further development costs and land acquisition costs.
- 6.2 That the Investment Committee recommends to the WYCA that pre-feasibility funding of £165k is approved for EZ Phase 2 (Part 2) to enable the procurement of the feasibility work and that confirmation of the match funding and start of procurement be sent to DCLG. That the full programme is brought back to the PAT, Investment Committee and Combined Authority in June 2017 for consideration.
- 6.3 That the Investment Committee recommends to the WYCA that funding of £2.24m is approved for the York Outer Ring Road (A1237) scheme to continue to progress through to Activity 4 (Full Business Case).
- 6.4 That the Investment Committee recommends to the WYCA that funding of £2.2m is approved for A629 Halifax to Huddersfield Corridor Phase 1a to progress the scheme from Activity 4 (Full Business Case) through Activity 5 (Finalise Costs). That subsequent progression at Decision Point 5 to a maximum funding total of £8.5m is approved by delegation to the Managing Director.
- 6.5 That the Investment Committee approves the total cost increase (with no further grant increase) and recommends to the Managing Director an extension to the programme by 10 months and that the college utilises all receipts, from disposal of the three assets to cover the increase costs of the project.
- 6.6 That the Investment Committee reconsider the project and indicate their preferred option. The PAT identified the following options for the Committee to consider:
- a) Confirm the current agreement to offer a £3m loan and a £4m grant;
 - b) Provide a £7m grant;
 - c) Provide a £10m grant,
 - d) Investment Committee recommend to the WYCA that the project in its revised form no longer be supported.
- 6.7 That the Investment Committee recommends to the Managing Director to change the £1m loan at 2% interest to an interest free loan of £800k and a £200k project development grant to bring the Kirklees Housing project in line with other LGF projects and allow for the claiming of staff time as eligible project development costs.

7. Appendices

- 7.1 Appendix 1 provides a summary of the A629 Halifax to Huddersfield Corridor Phase 5 Expression of Interest.

- 7.2 Appendix 2 provides a summary of the York Outer Ring Road (A1237) Outline Business Case. (TO FOLLOW)
- 7.3 Appendix 3 provides a summary of the A629 Halifax to Huddersfield Corridor Phase 1a Full Business Case.
- 7.4 Appendix 4 provides a summary of the Leeds City College – Quarry Hill Full Business Case. (TO FOLLOW)
- 7.5 Appendix 5 provides a summary of the Leeds District Heat Network Full Business Case. (TO FOLLOW)
- 7.6 Appendix 6 provides a summary of the Kirklees Housing Project Full Business Case. (TO FOLLOW)

8. Background Documents

- 8.1 None.

EOI / Business Case Summary

Name of Scheme:	A629 Halifax to Huddersfield Corridor Phase 5
PMO Scheme Code:	WYTF-PA4-019
Lead Promoter Contact:	Steven Hanley, Principal Engineer, Kirklees Council

Applicable Funding Stream:	WY+TF
If part of Growth Fund, which Priority Area is it part of?:	Four
Total project cost (£):	£10m
WYCA funding request (£):	£10m
Total other public sector investment (non-WYCA funding):	None
Total other private sector investment:	None
Budget allocated in the Growth Deal:	A629 Corridor Programme has been allocated £120.6m.
Current Assurance Process Activity	2

Scheme description:

A629 Phase 5 forms a later phase of an infrastructure investment programme of projects to the entire A629 corridor from Halifax to Huddersfield. All other phases are being delivered by Calderdale Council.

Phase 5 covers the sector of the A629 between Huddersfield ring road and Ainley Top roundabout. Works in this phase will include the following, at the areas identified:

Blacker Road/Edgerton Grove Road / New North Road / Edgerton Road Junction - Realignment of the north-south approaches and widen the junction to improve efficiency and create more capacity.

East Street/Birkby Road/Halifax Road Junction (Cavalry Arms Junction) – Realign east-west approach lanes to reduce intergreens, improve efficiency and create capacity for future growth.

Cavalry Arms to Birchencliffe Hill Road - Remove parking from both sides of road to enable free-flow of traffic and enable footways to be used safely.

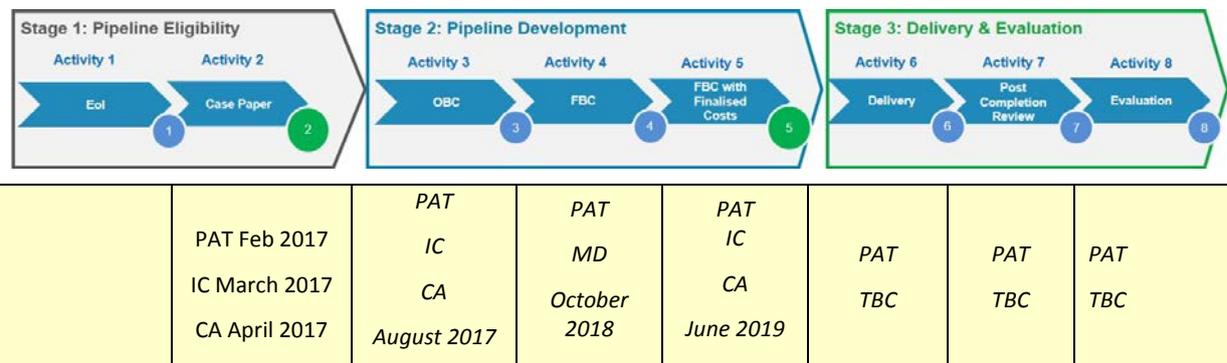
Yew Tree Road to Ainley Top – Extend southern approach lanes onto roundabout and consider additional left slip onto roundabout to increase capacity to accommodate future growth.

The rest of the corridor between the Huddersfield town centre ring road and Ainley Top will also be assessed to identify and additional measures that could be introduced that improves traffic flows, the pedestrian environment and cycling provision.

5 Cases Assessment Summary	
Overall RAG risk rating:	
	
Strategic Case	<p>The project has demonstrated that it has a strong strategic fit with the SEP and the WY+TF objectives</p> <p>Outcomes / benefits include 146 jobs created and 190 housing units completed</p>
Commercial Case	<p>Links to the Council's Local Plan and Housing Site allocations have been clearly made and how these will be realised by increasing capacity along the A629. In addition, further growth objectives are identified in the vicinity which will benefit further from interventions being delivered on this key corridor.</p>
Economic Case	<p>In consideration of both the end to end corridor benefits and the benefits delivered specifically under Phase 5, based on current evidence this scheme demonstrates VfM.</p>
Financial Case	<p>In reflection of the early stages of the project the level of financial appraisal has been sufficient and the scheme costs proposed are reflective of the works identified. This element of project development will continue in detail to ensure a detailed Cost Assessment is reached.</p>
Management Case	<p>Kirklees Council as the promoter and deliverer of the works to be undertaken as Phase 5 A629 have developed a well-considered and deliverable programme for delivery. CPO has been recognised as a potential risk to the project and key milestone dates have allowed for the timing implications of this. Kirklees Council are well placed to manage the delivery of this project.</p>

Summary of Peer Review / consultation used to assist in the appraisal / assessment of the project.
<p>The original proforma and subsequent mandate for the whole A629 corridor project, was developed in 2012, the objectives/key activities and interventions remain the same as those set out in earlier documents.</p> <p>However, since 2012, Kirklees Council have produced their draft Local Plan and Housing site allocations. The benefits and objectives to realise economic growth within Kirklees as identified within these key plans have been incorporated into the continued development work for the A629 Phase 5 which has significantly strengthened the strategic and economic case for the project.</p> <p>At this early stage, no formal peer review has as yet taken place, full consideration of the key project objectives, and, being reflective of comments and issues raised on earlier phase evaluation via Calderdale Council, assessment to date has been made on the case officer knowledge of the project working with the promoting authority. A comprehensive peer review will be undertaken at the point of a Full Business Case submission.</p>

What is the recommended PMO Pathway for this project?



Key Milestones

Activity	Milestone	Completion Date
4	Procurement Strategy completed	October 2018
4	Detailed Cost Plan completed	October 2018
4	Preferred engineering option and assessment completed	October 2018
4	Full Business Case peer review undertaken	November 2018
5	Costs finalised and out to contractor tender	January 2019
6	Tender awarded and construction on site. (Time from Contract tender release to tender award reflects need to secure Kirklees Council Cabinet approval)	June 2019

What are the recommended tolerances that dictate if scheme requires additional approvals?

Cost	If project costs change by +/- 10%, then the project must come back to IC.
Programme	Initial assessment – MEDIUM risk scheme. This reflects the need to clarify the position on land acquisition and whether the risk of CPO will become an issue.
Risk	It the programme changes by +/- 3 months, the project will have to come back to IC.

PAT Recommendations:

- **It is recommended to the Investment Committee that this scheme progresses through Decision Point 2 and commences work on Activity 3 – Outline Business Case**
- **It is recommended that the scheme enters a funding agreement to cover development costs for Activity 3 and to cover incurred costs to date.**
- **It is recommended that the Approval Pathway be amended so that scheme returns to PAT, Investment Committee and Combined Authority at Decision Point 3 to request further development costs and land acquisition costs.**

DRAFT

EOI / Business Case Summary

Name of Scheme:	A629 Halifax to Huddersfield Corridor Phase 1a
PMO Scheme Code:	WYTF-PA4-010
Lead Promoter Contact:	Chris Hoesli, Programme Manager, Calderdale Council

Applicable Funding Stream:	West Yorkshire plus Transport Fund
If part of Growth Fund, which Priority Area is it part of?:	Priority 4, Infrastructure for Growth
Total project cost (£):	£8,504,902
WYCA funding request (£):	£8,504,902
Total other public sector investment (non-WYCA funding):	None
Total other private sector investment:	None
Budget allocated in the Growth Deal:	A629 Programme allocated £120.6m
Current Assurance Process Activity	4

Scheme description:
<p>The A629 Halifax to Huddersfield Corridor Programme comprises a multi-modal corridor improvements scheme to drive economic growth by addressing transport and accessibility issues. Calderdale MBC and Kirklees Council are jointly developing the range of interventions proposed.</p> <p>Phase 1a will specifically target key junctions within the scheme limits. Works will be undertaken in the following locations</p> <ul style="list-style-type: none"> • Jubilee Road to Dudwell Lane • Dudwell Lane Junction • Dryclough Lane Junction • Dryclough Lane to Shaw Hill / Free School Lane • Shaw Hill / Free School Lane Junction <p>Corridor Treatment will also be undertaken to improve to cycle facilities to provide a Cohesive network that links to the hospital as well as Halifax town centre. All bus stop infrastructure will be upgraded to quality bus corridor</p>

5 Cases Assessment Summary	
Overall RAG risk rating: 	
Strategic Case	<p>The strategic case for the project was comprehensively made at the outline business case and has been strengthened further within the full business case.</p> <p>Outcomes / benefits include 34 jobs created, Increase in GVA of £2.3m, additional 46 cyclists using the route and a reduction in distance travelled by 'rat running' vehicles which reduces CO2 emissions and delivers a £380K (NPV) benefit</p> <p>Phase 1a is an enabling phase, journey time savings are delivered as part of the end to end A629 corridor programme.</p>
Commercial Case	<p>The commercial case provides a sound summary of the commercial and procurement requirements of the scheme. It should be noted that Calderdale Council have received tender returns for the construction ahead of approval to the Gateway 2 submission.</p>
Economic Case	<p>The scheme appraisal presents a 'High' Value for Money (VfM) category with a BCR of 2.7.</p> <p>Scheme promoter emphasise that Phase 1a is an enabling part of the overarching improvement programme for A629, which it expects to provide good value for money for public investment.</p>
Financial Case	<p>The financial case provides a comprehensive summary of the scheme costs. It should be noted that these will be updated once the tenders have been evaluated, when a further approval will be required at decision point 5 (FBC with Finalised Costs) to progress to delivery.</p>
Management Case	<p>The management case provides a summary of the governance and management of the programme. It is noted that the programme is indicative, but this will be confirmed once a contractor is in place.</p> <p>At decision point 5, the strategy for risk management, cost management and stakeholder and communications will be clarified and strengthened.</p>
Summary of Peer Review / consultation used to assist in the appraisal / assessment of the project.	
<p>The scheme underwent a Peer Review Evaluation on 15th February 2017. The panel comprises officers from WYCA and an external consultant to evaluate the Management, Commercial and Financial Case.</p>	

What is the recommended PMO Pathway for this project?



Complete	Completed	Completed	PAT 22/02/17 IC 08/03/17 CA 06/04/17	PAT MD March 2017	March 18	Sept 2018	TBC- 5 years following the end of the full A629 programme
----------	-----------	-----------	--	----------------------------	----------	--------------	---

Key Milestones

Activity	Milestone	Completion Date
4	Tender submission and evaluation	End of Feb 2017
4	Preferred Contractor Selection	Early March 2017
5	Finalise Costs	Mid-March 2017
5	Award Tender and Secure Delivery Funding	End of March 2017
6	Construction works commence	April 2017

What are the recommended tolerances that dictate if the scheme requires additional approvals?

Cost	+ 10%
Programme	If the projects programme changes by +/- 6 months, the project must come back to IC.
Risk	Due to the advanced works undertaken by the Council, high level red risks have been significantly reduced. If the 4 remaining red risks become issues and impact further on costs and programme, the project must come back to IC.

PAT Recommendations:

- It is recommended to the Investment Committee that this scheme progresses through Decision Point 4 and commences work on Activity 5 – FBC with Final Costs.
- It is recommended that approval to progress through Decision Point 5 is delegated to the Managing Director, subject to:
 - Final costs do not exceed tolerances
 - All Red and Amber ratings of the FBC are addressed and are Green
- Where the scheme fails to meet these tolerances, it will be required to go to Investment Committee and the WYCA for any further approvals at Decision Point 5
- That the existing funding agreement (£256K) is amended to cover the additional £2.213m development costs up to Activity 4 and to cover cost incurred to date.

DRAFT