

WEST YORKSHIRE AND YORK INVESTMENT COMMITTEE

**MEETING TO BE HELD AT 2.00 PM ON FRIDAY, 12 APRIL 2019
IN COMMITTEE ROOM A - WELLINGTON HOUSE, 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**
 1. To highlight Appendices 1 and 2 to Agenda Item 6 which officers have identified as containing exempt information within the meaning of Schedule 12A to the Local Government Act 1972, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.
 2. To consider whether or not to accept the officers' recommendation in respect of the above information as set out in paragraph 4.1 of Agenda Item 6.
 3. If the recommendation is accepted, to formally pass the following resolution:-

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 Appendices 1 and 2 to Agenda Item 6 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.

4. **MINUTES OF THE MEETING OF THE WEST YORKSHIRE AND YORK INVESTMENT COMMITTEE HELD ON 13 MARCH 2019**
(Pages 1 - 8)
5. **CAPITAL SPENDING AND PROJECT APPROVALS**
(Pages 9 - 40)
6. **EUROPEAN STRUCTURAL AND INVESTMENT FUNDS - SUSTAINABLE URBAN DEVELOPMENT (ESIF SUD)**
(Pages 41 - 48)

For Information

7. **DRAFT MINUTES OF THE BUSINESS INVESTMENT PANEL HELD ON 7 MARCH 2019**
(Pages 49 - 52)

Signed:

A handwritten signature in black ink, appearing to be 'BAM', with a horizontal line underneath it.

**Managing Director
West Yorkshire Combined Authority**

**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE AND YORK INVESTMENT COMMITTEE
HELD ON WEDNESDAY, 13 MARCH 2019 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Councillor Peter Box CBE (Chair)	Wakefield Council
Councillor Barry Collins	Calderdale Council
Councillor Ian Gillies	City of York Council
Councillor Richard Lewis	Leeds City Council
Councillor Peter McBride	Kirklees Council
Councillor Alex Ross-Shaw	Bradford Council

In attendance:

Melanie Corcoran	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Kate Thompson	West Yorkshire Combined Authority
Henry Rigg	West Yorkshire Combined Authority (minute 60 only)
James Brass	West Yorkshire Combined Authority (minute 60 only)
Vicky Dumbrell	West Yorkshire Combined Authority (minute 60 only)
Jess McNeill	West Yorkshire Combined Authority (minute 60 only)
Ian McNichol	West Yorkshire Combined Authority (minute 60 only)
Tracey Carter	City of York Council (minute 60 only)
David Warburton	City of York Council (minute 60 only)
Ruth Chaplin	West Yorkshire Combined Authority

55. Apologies for Absence

Apologies for absence were received from Roger Marsh and Councillor Denise Jeffery.

56. Declarations of Disclosable Pecuniary Interests

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

57. 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 7 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.

58. Minutes of the Meeting of the West Yorkshire and York Investment Committee held on 6 February 2019

Resolved: That the minutes of the West Yorkshire and York Investment Committee held on 6 February 2019 be approved and signed by the Chair.

59. Capital Programme Update

The Committee considered a report on the capital programme which:

- Provided an update on progress made on the implementation of the West Yorkshire Combined Authority's capital programme.
- Provided an update on the Growth Deal programme and the Leeds Public Transport Investment Programme.

The actual expenditure up to the end of quarter 3 - 2018/19 against the outturn forecast in respect of the capital programme was set out in Table 1. It was noted that all programmes are currently on track to achieve the revised expenditure forecasts.

The Growth Deal dashboard which provided details of each of the 128 projects within the programme was attached at Appendix 1. It was noted that 20 projects had been completed, 35 were currently in delivery, 64 in development and 9 were still to start.

It was reported that the Department for Transport (DfT) had undertaken an annual review of the Leeds Public Transport Investment Programme (LPTIP) and positive feedback had been received on the progress of the programme which was outlined in the submitted report. It was noted that the programme was still under considerable pressure to deliver and the DfT had reiterated the funding timescales which require full spend on the programme by March 2021.

Resolved: That the progress made in implementing the Combined Authority Capital Programme including the Growth Deal and Leeds Public Transport Investment Programmes be noted.

60. Capital Spending and Project Approvals

The Committee considered a report on proposals for the progression of, and funding for, a number of West Yorkshire Combined Authority supported projects, including West Yorkshire plus Transport Fund (Transport Fund) and Growth Fund at stages 1, 2 and 3 of the Combined Authority's assurance process.

Members discussed the proposals for the progression of the following seven schemes which were detailed in the submitted report:

- Leeds City Region Growth Service
- Resource Efficiency Fund 2
- Leeds Flood Alleviation Scheme 2
- A61 (North) Bus Priority Corridor
- Wakefield South East Gateway
- Dewsbury Riverside
- York Central: Access Road and Station Access Improvements

Members were given a presentation on the proposals for the York Central: Access Road and Station Access Improvements scheme. Approval was sought for the West Yorkshire plus Transport Fund to contribute to the funding of a new access road into York Central, a series of improvements to the front of York station and pedestrian access improvements into the York Central site. It was noted that delivery of these elements were dependent on City of York Council funding and on securing match funding from the Housing Infrastructure Fund.

Copies of the business case summaries for the schemes were attached at Appendices 2-8 of the submitted report.

The Committee also considered a change request in respect of the following scheme, details of which were provided in the submitted report:

- Superfast West Yorkshire and York – Contract 3

It was reported that the following decision points and change requests had been approved since the last meeting through the agreed delegation to the Combined Authority's Managing Director:

- Harrogate Road/New Line Junction Improvement
- Apprenticeship Grants for Employers (AGE)
- Natural Flood Management – Upper Aire

Details of the change requests and delegated approval for the schemes were outlined in the report.

Resolved:

- (i) In respect of Leeds City Region Growth Service, the Investment Committee recommends to the Combined Authority:
 - (a) That the Leeds City Region Growth Service project proceeds through decision point 2 (case paper) and work commences on activity 5 (full business case).
 - (b) That an indicative approval to the total project costs of £3,401,756, of which the Combined Authority contribution will be £2,465,413 (which will be funded through £764,535 from the BEIS Growth Hub funding and £1,700,878 from the ESIF funding is given with full approval to spend being granted once

the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs). The remaining £936,343 will be funded by Leeds City Region District Partners.

- (c) That the Combined Authority delegates the authority to enter into a funding agreement with Ministry for Housing, Communities and Local Government (ESIF) and BEIS (Growth hub funding) to the Combined Authority's Managing Director.
 - (d) That the Combined Authority delegates the authority to enter into or amend funding agreements with the local authorities to the Combined Authority's Managing Director.
 - (e) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.
- (ii) In respect of Resource Efficiency Fund 2, the Investment Committee recommends to the Combined Authority:
- (a) That the Resource Efficiency Fund 2 project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs).
 - (b) That indicative approval to the total project value for both regions (Leeds City Region and four North Yorkshire districts) of £6.293m is given as detailed below, with full approval to spend being granted once the project has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (c) That Leeds City Region element of the project of £4.644 million (subject to a successful ERDF application), of which £2.751 million will be funded by the Combined Authority (£2 million ERDF funding for Leeds City Region and £751,137 from the Leeds City Region Local Growth Fund). The remaining funding will be from £1.893 million SME match.
 - (d) That York, North Yorkshire and East Riding element of the project of £1.649 million (subject to a successful ERDF application) of which £1.035 million will be funded by the Combined Authority (from £824,522 ERDF funding and £210,122 from the York, North Yorkshire and East Riding region Local Growth Fund, which North Yorkshire County Council as the accountable body for the York, North Yorkshire and East Riding LEP will transfer to the Combined Authority and the Combined Authority will be the accountable body for its

expenditure for the purposes of this scheme). The remaining scheme costs of £614,000 will be from SME match funding.

- (e) That the Combined Authority delegates authority to the Combined Authority's Managing Director to enter into an agreement with North Yorkshire County Council as the accountable body for the York, North Yorkshire and East Riding Local Enterprise Partnership (at decision point 5), for the Combined Authority to receive and manage the York, North Yorkshire and East Riding match funding contribution of £210,122 from the York, North Yorkshire and East Riding Local Growth Fund.
 - (f) That the Combined Authority delegates authority to the Combined Authority's Managing Director to enter into a contract for the provision of the ERDF funding with Ministry of Housing, Communities and Local Government (MHCLG) at decision point 5.
 - (g) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.
- (iii) In respect of the Leeds Flood Alleviation Scheme 2, the Investment Committee recommends to the Combined Authority:
- (a) That the Leeds Flood Alleviation Scheme Phase 2 proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
 - (b) That an indicative approval to the Combined Authority's contribution of up to £3.9 million, which will be funded through Growth Deal 3 is given with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs). The total project value is £112 million.
 - (c) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5, through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.
- (iv) In respect of A61 (North) Bus Priority Corridor, the Investment Committee recommends to the Combined Authority:

- (a) That the Leeds Public Transport Investment Programme: A61 (North) Bus Priority corridor project proceeds through decision point 3 (outline business case) and work commences on activity 4 (full business case).
 - (b) That an indicative approval to the total project value of £16.1 million is given from Leeds Public Transport Investment Programme funding with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (c) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 4 (full business case) and decision point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director.
- (v) In respect of Wakefield South East Gateway, the Investment Committee recommends to the Combined Authority:
- (a) That the Wakefield City Centre, South East Gateway scheme proceeds through decision point 3 and work commences on activity 4 (full business case).
 - (b) That the individual elements of the Wakefield City Centre, South East Gateway scheme progress as separate full business cases for Kirkgate and the Waterfront through activity 4 (full business case) and activity 5 (full business case with finalised costs).
 - (c) That an indicative approval to the Combined Authority's capped contribution of £4.9 million to the Waterfront scheme and capped contribution of £1.6 million to the Kirkgate scheme (a total contribution of £6.5 million) to be funded from the Local Growth Fund programme is given towards a total scheme cost of £32.62 million (Waterfront (Rutland Mills) £21.52 million, Kirkgate £11.1 million) with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (d) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.
- (vi) In respect of Dewsbury Riverside, the Investment Committee approves:

- (a) That the Dewsbury Riverside scheme proceeds through decision point 3 and work commences on activity 4 (full business case).
 - (b) That an indicative approval to the total scheme value of £4.612 million is given from the Local Growth Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (c) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 4 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.
- (vii) In respect of York Central: Access Road and Station Access Improvements, the Investment Committee approves:
- (a) That the York Central Access Road and Station Access Improvement scheme proceeds through decision point 4 and work commences on activity 5 (full business case plus costs) subject to the conditions detailed in 2.155 being discharged to the satisfaction of the Combined Authority's Programme Appraisal Team.
 - (b) That an indicative approval of £37.32 million is given from the West Yorkshire plus Transport Fund, an increase of £4.32 million from the previous Gateway 1 approval, towards a total scheme cost of £187.46 million with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (c) That future approvals are made in accordance with the assurance pathway and approval route outlined in the submitted report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.
- (viii) In respect of Superfast West Yorkshire and York - Contract 3, the Investment Committee recommends to the Combined Authority:
- (a) That the change request to the Superfast West Yorkshire and York – Contract Three project to reduce the total project value to £10.828 million due to changes in funding from Gainshare, DEFRA, BDUK and ESIF / ERDF is approved.

- (b) That an indicative approval to the total project value of £10.828 million from the funding sources outlined in this report for which the Combined Authority is the accountable body is given, with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs)
- (c) That future approvals are made in accordance with the approval pathway and approval route outlined in the submitted report including at decision 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in the report.

61. Growing Places Fund

The Committee considered a report on the Growing Places Fund (GPF) which:

- Provided an update on progress with the Growing Places Fund programme.
- Provided a position statement on a Growing Places Fund Loan with changed circumstances.

Members noted the report which highlighted some of the achievements of the programme and joint investments with the Leeds City Region Revolving Investment Fund (RIF). The report also provided an update on the work being undertaken on the principles and parameters in respect of future reinvestment of the returned funds from the GPF programme to support significant ongoing returnable investment and grant funding for inclusive growth projects.

It was reported that one of the loan recipients was subject to changed circumstances and further details were provided in Exempt Appendix 1. The company had entered into administration and it was noted that the Combined Authority would need to impair the GPF loan within its accounts and an appropriate point in the proceedings.

Resolved: That the information provided in the report and Exempt Appendix 1 be noted.

62. Draft Minutes of the Business Investment Panel held on 5 February 2019

Resolved: That the draft minutes of the Business Investment Panel held on 5 February 2019 be noted.



Report to: West Yorkshire and York Investment Committee

Date: 12 April 2019

Subject: **Capital Spending and Project Approvals**

Director: Melanie Corcoran, Director of Delivery

Author(s): Craig Taylor / Cath Pinn

Purpose of this report

- 1.1 To put forward proposals for the progression of, and funding for, a number of West Yorkshire Combined Authority supported projects, including West Yorkshire plus Transport Fund (Transport Fund) and Growth Fund, for consideration by the Investment Committee at stages 1, 2 and 3 of the Combined Authority's assurance process.
- 1.2 The Investment Committee has delegated decision making authority, this was approved by the Combined Authority on 13 December 2018. Where Investment Committee is asked to make an approval decision this will be highlighted in the summary table and made clear in the recommendations.
- 1.3 This report presents proposals for the progression of 2 schemes through the Combined Authority's assurance process in line with the Leeds City Region Assurance Framework. These schemes have a total combined funding value of 13.867 million when fully approved, of which the total value of £13.867 million will be funded by the Combined Authority. A total expenditure recommendation to the value of £1.306 million is sought as part of this report for the development of these schemes. Further details on the schemes are summarised below and can be found as part of this report.

<u>Scheme</u>	<u>Scheme description</u>
A6177 Great Horton Road / Horton Grange Road Bradford	<p>This scheme is to be delivered through the Corridor Improvement Programme, a programme of low and medium cost highway interventions on strategic highway corridors on the West Yorkshire Key Route Network (WYKRN), which aims to improve connectivity and accessibility to support economic growth.</p> <p>The scheme will primarily provide a new link road between the Horton Park Avenue / Cecil Avenue junction and the All</p>

	<p>Saints Road/Dirkhill Road junction, as well as improvements to the Great Horton Road / Horton Grange Road junction.</p> <p>The new link road will allow traffic movements to bypass the Great Horton Road/ Horton Grange Road/ All Saints Road junction.</p> <p>It is also proposed that All Saints Road is changed to a one way southbound between Great Horton Road and Turner Place. This will reduce traffic conflicts, whilst increasing capacity.</p> <p>The scheme will support SEP Priority 4 Infrastructure for Growth.</p> <p>The scheme is funded by the West Yorkshire plus Transport Fund.</p> <p><u>Impact</u></p> <p>The scheme at this stage reflects a Benefit Cost Ratio of 2.86:1, judged as High Value for Money.</p> <p>The scheme's wider social benefits include a more attractive environment for the local community, and better quality of life, with reduced congestion improving air quality and connectivity to employment and housing.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case).</p> <p>Total value - £4.205 million</p> <p>Total value of Combined Authority funding - £4.205 million</p> <p>Funding recommendation sought - £584,007</p>
<p><u>Scheme</u></p> <p>A6177 Thornton Road / Toller</p> <p>Location</p>	<p><u>Scheme description</u></p> <p>This scheme is to be delivered though the Corridor Improvement Programme, a programme of low and medium cost highway interventions on strategic highway corridors on the West Yorkshire Key Route Network (WYKRN), which aims to improve connectivity and accessibility to support economic growth.</p> <p>The scheme focuses on traffic improvements at two junctions: the A6177 Whetley Lane / Toller Lane junction and the A6177 Thornton Road / Cemetery Road junction.</p> <p>The improvements will be focused around provision of two lane approaches where feasible, provision of dedicated turning facilities, and improvements for pedestrians and cyclists</p> <p>Following scheme delivery, it is anticipated to improve journey time reliability on the western section of the A6177 Outer Ring Road and reduce congestion along the A6177 Outer Ring Road.</p> <p>The scheme will support SEP Priority 4 Infrastructure for Growth.</p> <p>The scheme is funded by the West Yorkshire plus Transport Fund.</p>

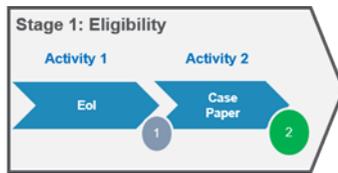
	<p><u>Impact</u></p> <p>The scheme at this stage reflects a Benefit Cost Ratio of 4.29:1, judged as Very High Value for Money.</p> <p>The scheme's wider social benefits include a more attractive environment for the local community, and better quality of life, with reduced congestion improving air quality and connectivity to employment and housing.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 3 (outline business case) and work commences on activity 4 (full business case).</p> <p>Total value - £9.662 million</p> <p>Total value of Combined Authority funding - £9.662 million</p> <p>Funding recommendation sought - £721,670</p>
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2 Information

- 2.1 The background information on the Combined Authority's assurance framework through which each of the schemes outlined in this report are being approved is provided in **Appendix 1**. In addition, this appendix also provides a description of the approach for the future assurance approval pathway and the assurance tolerances for each scheme.

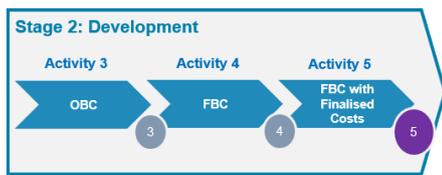
Programmes and projects for consideration

Projects in stage 1: Eligibility



- 2.2 Projects at the eligibility stage are seeking entry into 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 assurance process. At this stage funding may be sought to enable this work to progress.

Projects in Stage 2: Development



- 2.3 Projects at this development stage should demonstrate that they have tested the feasibility of a solution through their business case. This business case should then be developed in order to confirm and detail the preferred solution including finalising its cost.

Corridor Improvement Programme summary

- 2.4 The Corridor Improvement Programme (CIP) is a programme of low and medium cost highway interventions on strategic highway corridors on the West Yorkshire Key Route Network (WYKRN), which aims to improve connectivity and accessibility to support economic growth. In order to achieve this the programme aims to deliver an 8% reduction in journey times for all traffic, with a higher target of 12% reduction in journey times for buses.
- 2.5 The creation of a West Yorkshire Key Route Network (WYKRN) is designed to facilitate economic growth and job creation by delivering reliable journey times for all modes across the core road network in West Yorkshire, regardless of authority boundaries. Improved reliability of the WYKRN will contribute to goals of the Leeds City Region Strategic Economic Plan (SEP) by improving connectivity and better connecting people, jobs and goods. Such improvements will help to attract investment and facilitate housing growth across the City Region.
- 2.6 The Corridor Improvement Programme will be delivered in three phases. The total forecast cost of the programme is £130.3 million, £125 million of which will be funded from the Combined Authority's West Yorkshire plus Transport Fund.
- 2.7 The Corridor Improvement Programme received decision point 2 (case paper) approval from the Combined Authority in June 2017 for the programme as a whole, as part of this approval it was agreed that the 13 projects within the programme would be progressed on an individual basis to outline business case. At decision point 2, a total forecast cost for phase 1 of the programme received an indicative approval of £67.754 million, £62.441 million West Yorkshire plus Transport Fund and £5.313 million third party contributions. Phase 1 of the CIP has a total development cost approval of £4.483 million in order to progress the schemes to outline business case stage.
- 2.8 Following consultation on the future steps that should be taken to manage the programme, it is proposed that the costs for individual Phase 1 schemes within the Corridor Improvement Programme should remain within the indicative budget allocation for each Partner Council within the CIP Programme. Where the forecast costs of schemes are increasing above the Partner Council indicative budget allocation, the schemes should either:

- be re-designed to meet the indicative budget envelope of the Partner Council or;
- the Partner Council should prioritise which schemes they wish to take forward which fit within the indicative budget envelope.

2.9 As the outline business cases for the individual Corridor Improvement Programme schemes are received and appraised by the Combined Authority, it has emerged that a Change Request for the programme as a whole is required in order to re-baseline individual scheme allocations, funding and tolerances. It is intended that this Change Request will be brought for consideration by Investment Committee and Combined Authority in 2019.

2.10 This report contains proposals for the progression of two schemes through decision point 3 (outline business case). These schemes are being progressed now, as they are judged to be within the principles of the Investment Committee proposals and the intended programme change request. Both of the schemes are located within the Bradford District. At decision point 2, Bradford Council received a Phase 1 allocation of £14.15 million within the West Yorkshire plus Transport fund across three schemes.

2.11 Bradford Council had previously identified 3 CIP schemes as part of Phase 1.

- A6177 Great Horton Road / Horton Grange Road
- A6177 Thornton Road / Toller Lane
- A6177 Horton Grange Road / Cross Lane scheme

2.12 It has been identified that it would require approximately £19 million of West Yorkshire plus Transport Fund funding to deliver all 3 schemes, which would exceed the Phase 1 decision point 2 allocation for Bradford Council.

2.13 As a result Bradford Council will now only take forward two CIP schemes, the “A6177 Great Horton Road / Horton Grange Road” and “A6177 Thornton Road / Toller Lane”. Details of these schemes are provided as part of this report. It should however be noted that outline business case work has been completed for the now omitted A6177 Horton Grange Road / Cross Lane scheme.

Project Title	A6177 Great Horton Road / Horton Grange Road
Stage	2 (Development)
Decision Point	3 (Outline business case)

Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:		

Background

- 2.14 This scheme will be funded from the West Yorkshire plus Transport Fund. This is a £1 billion fund covering West Yorkshire and York. The objectives of the West Yorkshire plus Transport Fund are to enable key employment and housing development areas and will help to create about 20,000 new jobs over the next 10 years. These strategic transport projects will be delivered to facilitate the growth priorities identified in the Leeds City Region Economic plan.
- 2.15 The A6177 Great Horton Road / Horton Grange Road scheme is part of the Transport Fund's Corridor Improvement Programme (CIP), a programme of low and medium cost highway interventions on strategic highway corridors on the West Yorkshire Key Route Network (WYKRN), which aims to improve connectivity and accessibility to support economic growth.
- 2.16 Due to the immediate constraints at the Great Horton Road / Horton Grange Road junction, this scheme has been developed primarily through building a new link road between the Horton Park Avenue/Cecil Avenue junction and the All Saints Road/Dirkhill Road junction, with priority junctions at both ends. The new link will allow movements to bypass the Great Horton Road/Horton Grange Road/All Saints Road junction.
- 2.17 It is also proposed that All Saints Road is changed to one way southbound between Great Horton Road and Turner Place. This will reduce traffic conflicts, whilst increasing capacity. The right turn from Great Horton Road into All Saints Road will be prevented with right turning traffic using Horton Park Avenue.
- 2.18 Following scheme delivery, it is anticipated to reduce congestion for all modes of traffic, and in the process reduce journey times and improve journey time reliability for all users. Additionally, the scheme will deliver public realm enhancements, making the associated area more attractive, with improvements for walking and cycling to also be made as part of scheme design.
- 2.19 The scheme supports delivery of Priority 4 'Infrastructure for Growth' of the Leeds City Region Strategic Economic Plan (SEP), by creating additional capacity to enable development, and helping to achieve the Leeds City Region SEP principle of 'Good Growth'.
- 2.20 It should be noted that in relation to the CIP programme's decision point 2 approval, an approval of £277,000 was made to develop an A650 Shipley Airedale/ A647 Leeds Road junction CIP scheme. This scheme was

subsequently replaced by the A6177 Great Horton Road / Horton Grange Road via change request and the development cost approval made for the original scheme was replaced by a reduced approval for £225,000 for scheme development of the replacement scheme (although a funding agreement was not entered into at this time and will instead form part of the recommendations presented in this report). For clarity, the approvals sought as part of this report supersedes all previous approvals relating to the Bradford A6177 Great Horton/ Horton Grange Road and the A650 Shipley Airedale/ A647 Leeds Road schemes.

2.21 A summary of the scheme's business case is included in **Appendix 2**

Outputs, benefits and inclusive growth implications

- To improve journey time reliability for all modes including bus services on the western section of the A6177 Outer Ring Road – reducing variability between peak and inter peak time periods for journeys to/from Bradford, within one year of post scheme completion.
- To reduce congestion along the A6177 Outer Ring Road in order to improve productivity and attract new investment – by reducing business operating costs, improving accessibility, and creating greater confidence in highway provision, within one year of post scheme completion.
- To support housing growth aspirations by reducing transport constraints to development – supporting delivery of 8,000 new residences by 2030.
- To improve air quality by reducing congestion and the number of vehicles idling at the junction, within five years of post-scheme completion.
- To reduce road traffic collisions by 5% within five years of post-scheme completion, making travel safer particularly for pedestrians and cyclists.
- The scheme at this stage reflects a benefit cost ratio (BCR) of 2.86:1, judged as High Value for Money based on the Department for Transport's criteria. This will be confirmed at decision point 5.
- The wider benefits of the scheme include a better quality of life for the local community and residents across Bradford who use this junction, with an improved urban environment, improved accessibility to jobs and housing, and an improvement in air quality.

Risks

2.22 The key risks along with the mitigation are outlined below:

- Risk: Cost of utility works is greater than the current estimates based on returns received from providers and existing information and experience. Mitigation: The promoter to obtain detailed utility survey costs before full business case development, with interface meetings to be held with applicable utilities.

- Risk: Unforeseen tender return costs due to market forces, which could also limit availability of contractors. Mitigation: The promoter to monitor market trends and maintain robust dialogue with strategic partners.
- Risk: Compensation costs such as sound insulation is greater than envisaged. Mitigation: The promoter to consult specialists on noise and land as part of detailed design, to assess likely compensation values.
- Risk: Opposition to scheme is greater than anticipated following consultation, requiring scheme design changes causing delays and additional costs. This could include challenges to Traffic Regulation Orders. Mitigation: The promoter is developing a stakeholder management plan to enable robust engagement with all stakeholders. A public consultation exercise has been completed, (concluded 29 March 2019). Feedback to date indicates public support for the scheme with no significant objections raised to warrant requirement for material changes to scheme design. The promoter to submit a detailed engagement report at full business case (decision point 4).

Costs

- The total forecast scheme cost at outline business case (decision point 3) is £4.205 million,
- This reflects a scheme cost increase of £1.055 million from the indicative estimate of £3.150 million at decision point 2. The promoter has attributed the increase to inclusion of risk, inflation, and scheme design costs following site investigation surveys, as well as a reforecast of estimated project development costs.
- This scheme has been allocated £225,000 of development costs to progress to outline business case (decision point 3). The promoter now seeks approval of a further £584,007 of development costs taking the total approval sought to £809,007.

Timescales

- Forecast decision point 4 approval (full business case) - October 2019
- Forecast decision point 5 approval - (full business case with finalised costs) - February 2020
- Forecast start of construction – March 2020
- Forecast decision point 6 approval (end of construction) - August 2021

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3 (outline business case)	Recommendation: Investment Committee Decision: Combined Authority

Decision point 4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director
Decision point 5 (full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director

Assurance Tolerances

Assurance tolerances
The scheme costs should remain within the costs set out in this report. That programme timescales should remain within 3 months of the timescales set out in this report.

Project responsibilities

Senior Responsible Officer	Richard Gelder, Bradford Council
Project Manager	Kamal Ubhi, Bradford Council
Combined Authority case officer	Asif Abed

Appraisal summary

- 2.23 The outline business case provides a satisfactory level of detail on the strategic rationale behind the proposed interventions, which will primarily see delivery of a new link road between the Horton Park Avenue/Cecil Avenue junction and the All Saints Road/Dirkhill Road junction, with priority junctions at both ends. It can be seen the proposal seeks to support delivery of the City Region and transport fund objective of addressing constraints to economic growth by reducing congestion and improving connectivity to jobs and housing within Bradford and the associated area.
- 2.24 The scheme however has site constraints, limiting opportunity to incorporate dedicated provision for public transport in to the scheme design. Improvements to active mode travel of walking and cycling have however been included.
- 2.25 The promoter has confirmed there are no land acquisition requirements and therefore no associated risks, given the land for the new link is within the council ownership.
- 2.26 The scheme has demonstrated key stakeholder support through engagement with ward members and delivery partners, and has recently commenced a round of public consultation, which to date has reflected positive feedback. A

detailed engagement report will be submitted at full business case (decision point 4).

- 2.27 The preferred option at outline business case reflects a benefit cost ratio of 2.86:1, judged as high value for money. The appraisal did review the optioneering exercise undertaken that led to the preferred option of delivering a new link road and priority signal junctions. This highlighted that alternative proposals were considered but ruled out on grounds of affordability and deliverability within the scope of the programme.
- 2.28 On the whole, the promoter has demonstrated deliverability of this scheme. Further work is to be undertaken as part of full business case development, at which stage more accurate costs and scheme delivery programme will be known.

Recommendations

- 2.29 That Investment Committee recommends to the Combined Authority that:
- (i) The A6177 Great Horton Road / Horton Grange Road scheme proceeds through decision point 3 and work commences on activity 4 (full business case).
 - (ii) An indicative approval to the total project value of £4.205 million is given from the West Yorkshire plus Transport Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (iii) Additional development costs of £584,007 are approved in order to progress the scheme to full business case with finalised costs (decision point 5), taking the total project approval to £809,007.
 - (iv) The Combined Authority enters in to funding agreement with Bradford Council for expenditure of up to £809,007 from the West Yorkshire plus Transport Fund.
 - (v) Future approvals are made in accordance with the approval pathway and approval route outlined in this report, including at decision points 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

Project Title	A6177 Thornton Road / Toller Lane
Stage	2 (Development)
Decision Point	3 (Outline business case)

Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:		

Background

- 2.30 This scheme will be funded from the West Yorkshire plus Transport Fund. This is a £1 billion fund covering West Yorkshire and York. The objectives of the West Yorkshire plus Transport Fund are to enable key employment and housing development areas and will help to create about 20,000 new jobs over the next 10 years. These strategic transport projects will be delivered to facilitate the growth priorities identified in the Leeds City Region Economic plan.
- 2.31 The A6177 Thornton Road / Toller Lane scheme is part of the Transport Fund's Corridor Improvement Programme (CIP), a programme of low and medium cost highway interventions on strategic highway corridors on the West Yorkshire Key Route Network (WYKRN), which aims to improve connectivity and accessibility to support economic growth.
- 2.32 The scheme focuses on traffic improvements at two junctions and will deliver the following interventions:

A6177 Whetley Lane / Toller Lane

- Two lane approaches to the junction on A6177
- Dedicated left turn lane from A6177
- Two lanes in both directions on Toller Lane from the Carlisle Road junction to existing dual carriageway
- Flare out approaches on Toller Lane and Whetley Hill to provide a short right turn lane
- Improvement for pedestrians and cyclists

A6177 Thornton Road / Cemetery Road

- Formalise right turn lane inbound on Thornton Road into Cemetery Road
 - Widen westbound direction on Thornton Road to have two lanes from the A6177
 - Two lane approach on Allerton Road
 - Two lanes north on Cemetery Road approach and two lanes on Allerton Park exit
 - Improvement for pedestrians and cyclists
- 2.33 Following scheme delivery, it is anticipated to improve journey time reliability on the western section of the A6177 Outer Ring Road and reduce congestion along the A6177 Outer Ring Road. This will support improving productivity and encouraging new business investment, as well as support housing growth aspirations by reducing transport constraints to development. The scheme will also deliver public realm enhancements created through demolition of acquired buildings and improved pedestrian and cycling provision.
- 2.34 The scheme supports delivery of Priority 4 'Infrastructure for Growth' of the Leeds City Region Strategic Economic Plan (SEP), by creating additional capacity to enable development, and helping to achieve the Leeds City Region SEP principle of 'Good Growth'
- 2.35 Within the decision point 2 CIP Programme approval in June 2017, the A6177 Thornton Road / Toller Lane scheme was originally presented as two separate schemes.
- The A6177 Outer Ring Road/ Thornton Road scheme received an indicative allocation of £5 million towards scheme costs, and
 - The A6177 Outer Ring Road/ Toller Lane scheme received an indicative allocation of £3.39 million towards scheme costs.
- 2.36 The schemes were subsequently merged into the A6177 Thornton Road / Toller Lane scheme with an indicative combined allocation of £8.5 million.
- 2.37 A summary of the scheme's business case is included in **Appendix 3**

Outputs, benefits and inclusive growth implications

- To improve journey time reliability for all modes including bus services on the western section of the A6177 Outer Ring Road – reducing variability between peak and inter peak time periods for journeys to/from Bradford, within one year of post scheme completion.
- To reduce congestion along the A6177 Outer Ring Road in order to improve productivity and attract new investment – by reducing business operating costs, improving accessibility, and creating greater confidence in highway provision, within one year of post scheme completion.

- To support housing growth aspirations by reducing transport constraints to development – supporting delivery of 8,000 new residences by 2030.
- To improve the urban environment and attractiveness through demolition of blighted buildings and the creation of an enhanced public realm – to be achieved through scheme delivery.
- To improve air quality by reducing congestion and the number of vehicles idling at the junction, within five years of post-scheme completion.
- To reduce road traffic collisions by 5% within five years of post-scheme completion, making travel safer particularly for pedestrians and cyclists.

2.38 The scheme at this stage reflects a benefit cost ratio (BCR) of 4.29:1, which would be judged as Very High Value for Money using the DfT criteria. This will be confirmed at decision point 5.

2.39 The wider benefits of the scheme include a better quality of life for the local community and residents across Bradford who use this junction, with an improved urban environment, improved accessibility to jobs and housing, and an improvement in air quality.

Risks

2.40 The key risks along with the mitigation are outlined below:

- Risk: Land acquisition negotiations fail requiring need for a Compulsory Purchase Order (CPO) to acquire buildings for demolition purposes. The promoter has confirmed CPO route is needed to acquire one property, with negotiations underway with proprietors of a further two. Mitigation: The promoter has built in an element of contingency within scheme costs and the delivery programme should a CPO be required on the further two sites.
- Risk: Compensation costs such as land acquisition and sound insulation is greater than envisaged. Mitigation: The promoter to consult specialists on noise and land as part of detailed design, to assess likely compensation values.
- Risk: Cost of utility works is greater than the current estimates based on C1 returns and existing information and experience. Mitigation: The promoter to attain detailed utility survey costs before full business case development, with interface meetings to be held with applicable utilities.
- Risk: Unforeseen tender return costs due to market forces, which could also limit availability of contractors. Mitigation: The promoter to monitor market trends and maintain robust dialogue with strategic partners.
- Risk: Opposition to scheme is greater than anticipated following consultation, requiring scheme design changes causing delays and increased costs. This could include challenges to Traffic Regulation Orders. Mitigation: The promoter is developing a stakeholder management plan to enable robust engagement with all stakeholders. A public consultation exercise has been undertaken, commencing 18

February 2019 and to concluded 29 March 2019. Feedback to date indicates public support for the scheme with no significant objections raised to warrant requirement for material changes to scheme design. The promoter to submit a detailed engagement report at full business case (decision point 4).

Costs

- 2.41 The total forecast scheme cost at outline business case (decision point 3) is £9.662 million, which will be funded from the West Yorkshire plus Transport Fund.
- 2.42 This reflects a scheme cost increase of £1.162 million from the indicative combined allocation of £8.5 million at decision point 2. The promoter has attributed the increase to inclusion of risk, inflation, and forecast land acquisition costs, as well as a reforecast of estimated project development costs. This increase to scheme costs is affordable within the £14.150 million Bradford CIP Phase 1.
- 2.43 The scheme has an existing £225,000 development cost approval. The promoter now seeks approval of a further £721,670 of development costs to fund scheme development to full business case with finalised costs (decision point 5), this will take the total scheme approval £946,670. This reflects 9.8% of total scheme costs (which excludes any land acquisition costs).

Timescales

- Forecast decision point 4 approval (full business case) - November 2019
- Forecast decision point 5 approval - (full business case with finalised costs) - March 2020
- Forecast start of construction – April 2020
- Forecast decision point 6 approval (end of construction) - January 2022

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3 (outline business case)	Recommendation: Investment Committee Decision: Combined Authority
Decision point 4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director
Decision point 4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director

Assurance Tolerances

Assurance tolerances
The scheme costs should remain within the costs set out in this report. That programme timescales should remain within 3 months of the timescales set out in this report.

Project responsibilities

Senior Responsible Officer	Richard Gelder, Bradford Council
Project Manager	Kamal Ubi, Bradford Council
Combined Authority case officer	Asif Abed

Appraisal summary

- 2.44 The outline business case provides a satisfactory level of detail on the strategic rationale behind the proposed interventions, which will support delivery of the City Region and transport fund objective of addressing constraints to economic growth, by reducing congestion and improving connectivity to jobs and housing within Bradford and the associated area.
- 2.45 The scheme however has site constraints, limiting opportunity to incorporate dedicated provision for public transport into the scheme design. Improvements to active mode travel of walking and cycling have however been included.
- 2.46 The scheme will also deliver public realm enhancements through demolition of buildings, improving the urban environment and attractiveness. To deliver this, and the preferred option junction improvements requires purchase of three buildings, with the promoter confirming a Compulsory Purchase Order (CPO) route is needed to acquire one property, with negotiations underway with proprietors of a further two. The outcome to negotiations could have a significant bearing on scheme costs and delivery timescales, although the promoter has indicated an element of contingency has been profiled with the programme to allow for this.
- 2.47 The scheme has demonstrated key stakeholder support through engagement with ward members and delivery partners, and has recently commenced a round of public consultation, which to date has reflected positive feedback. A detailed engagement report will be submitted at full business (decision point 4).
- 2.48 The preferred option at outline business case reflects a benefit cost ratio of 4.29:1, judged as very high value for money. The appraisal did review the optioneering exercise undertaken that led to the preferred option. This highlighted that alternative proposals were considered but ruled out on grounds of affordability and deliverability within the scope of the programme.

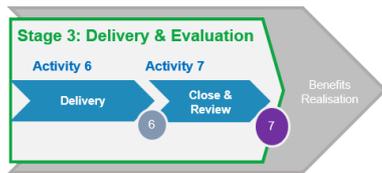
2.49 On the whole, the promoter has demonstrated deliverability of this scheme. Further work is to be undertaken as part of full business case development, at which stage more detailed costs and scheme delivery programme will be known.

Recommendations

2.50 That Investment Committee recommends to the Combined Authority that:

- (i) The A6177 Thornton Road / Toller Lane scheme proceeds through decision point 3 and work commences on activity 4 (full business case).
- (ii) An indicative approval to the total project value of £9.662 million is given from the West Yorkshire plus Transport Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) Additional development costs of £721,670 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) taking the total project approval to £946,670.
- (iv) The Combined Authority enters into an addendum to the existing funding agreement with Bradford Council for additional expenditure of up to £721,670 from the West Yorkshire plus Transport Fund, taking total value of the funding agreements to £946,670.
- (v) Future approvals are made in accordance with the approval pathway and approval route outlined in this report including at decision points 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

Projects in Stage 3: Delivery and Evaluation



- 2.51 Once in Delivery and Evaluation the scheme is delivered and Combined Authority funding is drawn down. When delivery is completed a review is carried out to ensure that the scheme has met all its requirements and outputs in accordance with its Funding Agreement. Finally information about a scheme's performance following its completion is collected, in order to evaluate the success of the scheme.

Decisions made through the delegation to the Managing Director

- 2.53 Since Investment Committee's meeting on the 13th March 2019, decisions regarding the following schemes has been exercised. This decision was made through the delegation to the Combined Authority's Managing Director following a recommendation from Combined Authority's Programme Appraisal Team. In order for a decision to be made through a delegation to the Managing Director, the scheme must remain within the assurance tolerances that have been approved at an earlier decision point. All the schemes outlined below have remained within their approved delegations unless stated otherwise below.

Halifax Town Centre - Northgate House

- 2.54 The scheme involves the refurbishment of part of the former Calderdale Council offices at Northgate House to create 4,274m² of office and 1,115m² of retail floorspace. The remainder of the building is being refurbished for a new 6th form centre due to open in September 2019. The 6th form centre does not form part of this proposal.
- 2.55 The expected outputs and benefits of the scheme include creating retail and office space; indirectly creating 166 jobs (when 85% let) within 3 years of completion; and accelerating the development of employment and commercial floorspace in Halifax town centre;
- 2.56 The scheme was approved by the Investment Committee at decision point 4 (full business case) in February 2019. This approval, made by the Combined Authority's Managing Director on 8 March 2019, was for decision point 5 (full business case with finalised costs) for a total project value of £10.655 million and a Combined Authority contribution of £3 million (Local Growth Fund) and for work to commence on activity 6 (delivery).

A650 Bradford to Keighley Corridor (Hard Ings Road)

- 2.57 The project is a proposal to widen the existing carriageway to provide two lanes in each direction for the full extent of the section of Hard Ings Road, Keighley between the junctions with the A629 (Beechcliffe roundabout) and Bradford Road roundabout. The scheme length is approximately 0.7 km
- 2.58 The scheme will relieve traffic congestion through making on street improvements including road widening. The scheme will contribute to the Strategic Economic Plan priority 4: infrastructure for growth.
- 2.59 The wider social benefits include improved air quality and reduced journey times.
- 2.60 The scheme received approval from the Combined Authority at decision point 4 (full business case) in December 2018. This approval, made by the Combined Authority's Managing Director on 15 March 2019, was for decision point 5 (full business case with finalised costs) for a total project value of £9.334 million from the West Yorkshire plus Transport Fund and for work to commence on activity 6 (delivery).

Leeds Enterprise Zone Power Solution

- 2.61 This scheme relates to the identified electrical supply shortage at the appropriate voltage to parts of the Leeds Enterprise Zone (EZ), which is situated within the Aire Valley. The scheme will front fund an upgrade of existing electrical infrastructure to enable an 18 Mega Volt Amp (MVA) supply to the zone. Initially, the resulting supply will be for the exclusive use of developers within the EZ to support new build units, although this position will be reviewed as delivery of the EZ progresses.
- 2.62 The upgrading and expansion of the existing infrastructure to provide an 18 Mega Volt Amp (MVA) supply to the zone will be completed by March 2021. The forecast benefits from this investment are:
- 2,800 Jobs created
 - 10 Businesses created /assisted
 - 1,423,996 sq ft of commercial floorspace to be constructed
 - 100,000 sq ft of learning floorspace to be constructed
 - Through making the site an attractive development prospect, this scheme will contribute to the potential for the Combined Authority to earn income from the collection of business rates
 - Potential repayment of the grant received within a 10 year period through the establishment of a repayment mechanism when individual sites in the Enterprise Zone are taken up
- 2.63 The scheme received approval from the Combined Authority at decision point 4 (full business case) in December 2018. This approval, made by the Combined Authority's Managing Director on 15 March 2019, was for decision point 5 (full business case with finalised costs) for a total project value of £4.589 million and a Combined Authority contribution of £4.589 million (Local Growth Fund) and for work to commence on activity 6 (delivery).

3 Financial implications

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

4 Legal implications

- 4.1 The payment of funding to any recipient will be subject to a funding agreement being in place between the Combined Authority and the organisation in question.

5 Staffing implications

- 5.1 A combination of Combined Authority and local Partner Council project, programme and portfolio management resources are or are in the process of being identified and costed for within the schemes in this report.

6 External consultees

- 6.1 Where applicable scheme promoters have been consulted on the content of this report.

7 Recommendations

A6177 Great Horton Road / Horton Grange Road Corridor Improvement Scheme

- 7.1 That Investment Committee recommends to the Combined Authority that:

- (i) The A6177 Great Horton Road / Horton Grange Road scheme proceeds through decision point 3 and work commences on activity 4 (full business case).
- (ii) An indicative approval to the total project value of £4.205 million is given from the West Yorkshire plus Transport Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) Additional development costs of £584,007 are approved in order to progress the scheme to full business case with finalised costs (decision point 5), taking the total project approval to £809,007.
- (iv) The Combined Authority enters in to funding agreement with Bradford Council for expenditure of up to £809,007 from the West Yorkshire plus Transport Fund.
- (v) Future approvals are made in accordance with the approval pathway and approval route outlined in this report, including at decision points 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

The A6177 Thornton Road / Toller Lane Corridor Improvement Scheme

- 7.2 That Investment Committee recommends to the Combined Authority that:

- (i) A6177 Thornton Road / Toller scheme proceeds through decision point 3 and work commences on activity 4 (full business case).
- (ii) An indicative approval to the total project value of £9.662 million is given from the West Yorkshire plus Transport Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) Additional development costs of £721,670 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) taking the total project approval to £946,670.

- (iv) The Combined Authority enters into an addendum to the existing funding agreement with Bradford Council for additional expenditure of up to £721,670 from the West Yorkshire plus Transport Fund, taking total value of the funding agreements to £946,670.
- (v) Future approvals are made in accordance with the approval pathway and approval route outlined in this report including at decision points 4 and 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

8 Background documents

8.1 None as part of this report.

9 Appendices

Appendix 1 - Background information on the assurance framework

Appendix 2 - Business case summary - A6177 Great Horton Road / Horton Grange Road

Appendix 3 - Business case summary - A6177 Thornton Road / Toller Lane

Appendix 1: Background to the report

Information

- 1.1 This report puts forward proposals for the progression of, and funding for, a number of schemes for approval by the Combined Authority, following consideration by the West Yorkshire and York's Investment Committee. The Combined Authority will recall that a three stage approach has been 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 point 2 (case paper approval) and 5 (final cost approval) highlighted 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 an independent panel of officers representing policy, legal, financial, assurance and delivery. The scheme promoters from our partner 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 Leeds City Region Assurance Framework.

Future assurance and approval route

- 1.3 The tables for each scheme in the main report outlines the proposed assurance process and corresponding approval route for the scheme. The assurance pathway sets out the decision points which the scheme must progress through and will reflect the scale and complexity of the scheme. The approval route indicates which committees or officers will make both a recommendation and approval of the scheme at each decision point. A delegated decision can only be made by the Managing Director if this has received prior approval from the Combined Authority.

Tolerances

- 1.4 In order for the scheme to follow the assurance pathway and approval route that is proposed in this report, it should remain within the tolerances outlined for each scheme. If these tolerances are exceeded the scheme needs to return to Investment Committee and/or the Combined Authority for further consideration.

Scheme Summary

Name of Scheme:	A6177, Great Horton Road and Horton Grange Road Junction
PMO Scheme Code:	WYTF-PA4-038a-15
Lead Organisation:	Bradford Council
Senior Responsible Officer:	Richard Gelder, Bradford Council
Lead Promoter Contact:	Kamal Ubhi, Bradford Council
Case Officer:	Asif Abed
Applicable Funding Stream(s) – Grant or Loan:	Grant- West Yorkshire plus Transport Fund
Growth Fund Priority Area (if applicable):	Priority 4 Infrastructure for Growth
Approvals to Date:	29 June 2017 Combined Authority Board: approval of the Corridor Improvement Programme Phase 1 package at decision point 2 (Case Paper), with each scheme to now come forward at decision point 3 (OBC).
Forecasted Full Approval Date (Decision Point 5):	February 2020
Forecasted Completion Date (Decision Point 6):	August 2021
Total Scheme Cost (£):	£4.205 million
Combined Authority Funding (£):	£4.205 million - West Yorkshire-plus Transport Fund
Total other public sector investment (£):	None
Total other private sector investment (£):	None
Is this a standalone Project?	Yes
Is this a Programme?	No
Is this Project part of an agreed Programme?	Yes- Corridor Improvement Programme

Current Assurance Process Activity:



Scheme Description:

The scheme is designed to improve the operation of the junction of Great Horton Road/Horton Grange Road, in order to improve highway efficiency for the benefit of all road users. The junction forms part of the A6177 Outer Ring Road, part of the West Yorkshire Key Route Network (KRN).

Due to the immediate constraints at the junction, a scheme has been developed to target improvements to the Outer Ring Road; specifically the scheme looks to build a new road between Horton Park Avenue/Cecil Avenue junction and All Saints Road/Dirkhill Road junction, with priority junctions at both ends. The new link is to allow movements to bypass the Great Horton Road/Horton Grange Road/All Saints Road junction.

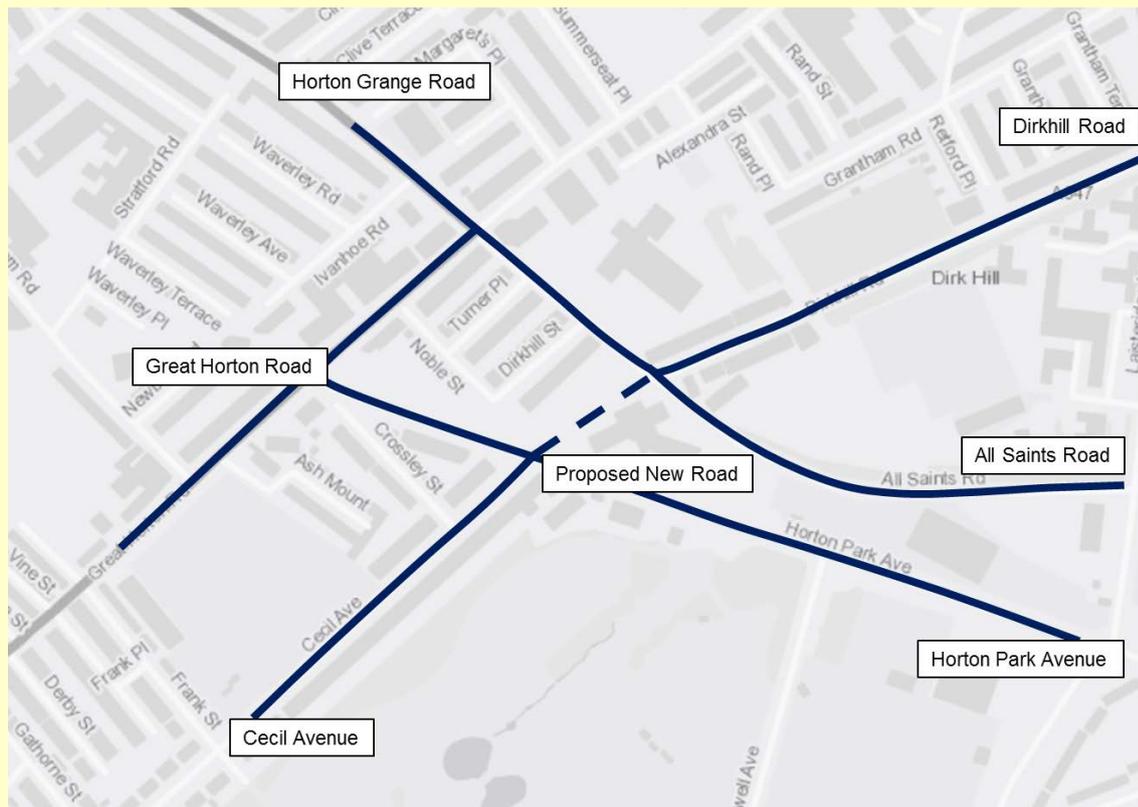


Figure 1: Scheme Extents

As part of the scheme, the Great Horton Road/Horton Park Avenue junction is signalised, with two lanes inbound to the junction of Great Horton Road/Horton Grange Road/All Saints Road. It is proposed that All Saints Road is changed to a one-way southbound between Great Horton Road and Turner Place. This will reduce traffic conflicts while increasing capacity. The right turn from Great Horton Road into All Saints Road is prevented with right turning traffic using

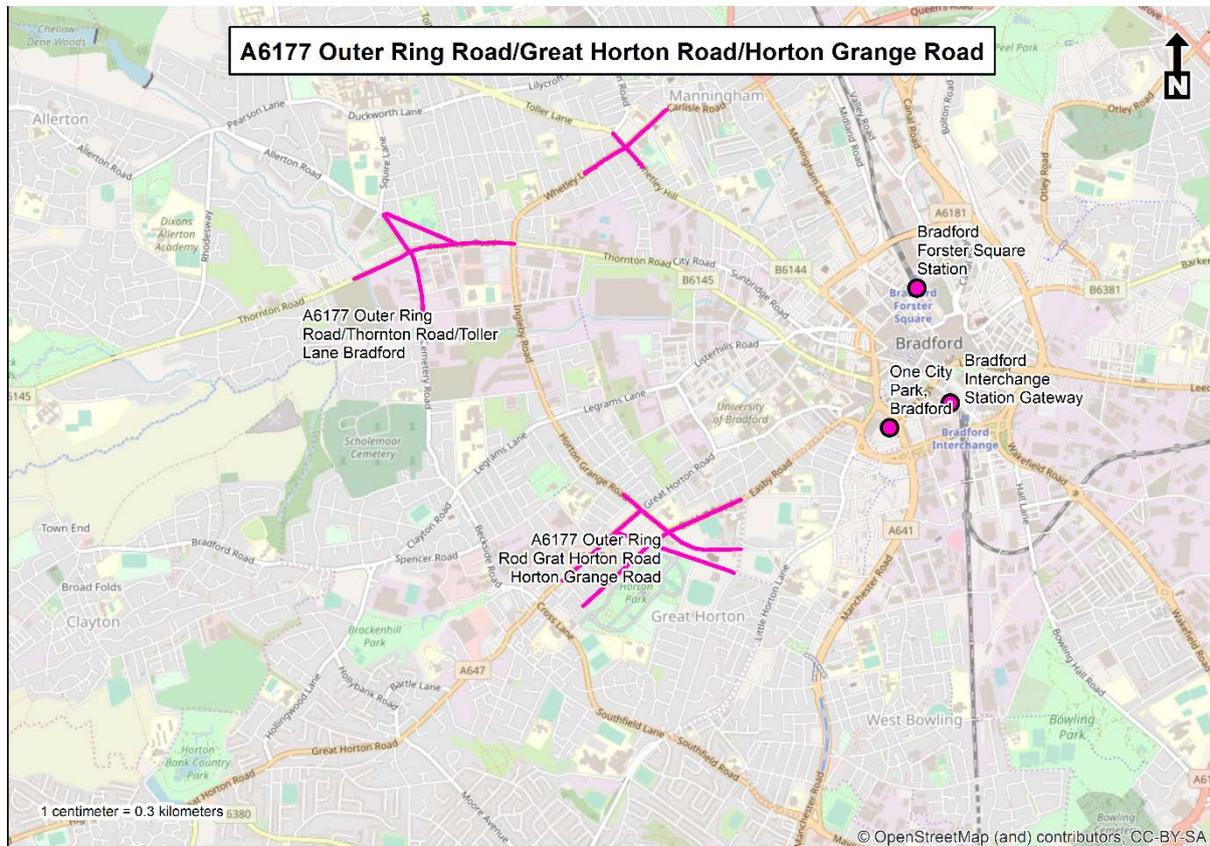
Horton Park Avenue. Improvements are to be made for cycling and walking as part of the design.

Business Case Summary:

Strategic Case	<p>Bradford is the fifth largest city authority in the UK with a £9.2 billion economy.</p> <p>The Outer Ring Road is identified as part of the West Yorkshire Key Route Network and is an important asset to Bradford. The route is congested and the junction is seen as a location where improvement can alleviate capacity issues.</p> <p>This project forms part of the West Yorkshire-plus Transport Fund Programme which aims to deliver Priority 4 of the Strategic Economic Plan (SEP), Infrastructure for Growth. This project aims to reduce congestion and improve journey times, which provide access to jobs and investment within Bradford.</p>
Commercial Case	<p>Bradford city centre currently suffers from congestion, partly as a result of a significant volume of traffic avoiding the congested Outer Ring Road. Improvements to the A6177 Outer Ring Road are essential to improve accessibility of people to jobs and of goods to the market place. The proposed scheme looks to enhance capacity at the Great Horton Road/Horton Grange Road junction with highway improvements and the delivery of a new road between Horton Park Avenue/Cecil Avenue junction and All Saints Road/Dirkhill Road junction.</p>
Economic Case	<p>The project will deliver against Strategic Priority 4, Infrastructure for Growth. This project aims to unlock the economic potential of the wider area and corridor by increasing capacity and improving journey times. The additional highway capacity will assist in unlocking new development land allowing new housing and business space to be developed. Improved vehicle throughput at the junctions will improve air quality and noise pollution.</p> <p>The economic assessment shows that the scheme is predicted to provide high value for money.</p>
Financial Case	<p>The project costs are estimated to be £4.205 million, which will be 100% funded through the West Yorkshire-plus Transport Fund from the Combined Authority. An additional £0.584 million is sought to develop the project to Full Business Case with Costs (decision point 5).</p>
Management Case	<p>This project will be managed by City of Bradford Metropolitan Borough Council utilising PRINCE2 project management principles for delivery. This project forms part of the Corridor Improvement Programme. A core project team is in place and consultants will be brought in for support where required as the project progresses.</p>

Location map:

The following location map shows the scheme in relation to the other Combined Authority funded schemes in the surrounding area.



Please note, depending on the level of scheme development the location and scope of the schemes indicated here are indicative only.

For further information on Combined Authority schemes across the Leeds City Region please refer to: <https://www.westyorks-ca.gov.uk/economy/leeds-city-region-infrastructure-map/>

Scheme Summary

Name of Scheme:	A6177, Thornton Road and Toller Lane Junction
PMO Scheme Code:	WYTF-PA4-038a-10
Lead Organisation:	Bradford Council
Senior Responsible Officer:	Richard Gelder, Bradford Council
Lead Promoter Contact:	Kamal Ubhi, Bradford Council
Case Officer:	Asif Abed
Applicable Funding Stream(s) – Grant or Loan:	Grant - West Yorkshire plus Transport Fund
Growth Fund Priority Area (if applicable):	Priority 4 Infrastructure for Growth
Approvals to Date:	29 June 2017 Combined Authority Board: approval of the Corridor Improvement Programme Phase 1 package at decision point 2 (Case Paper), with each scheme to now come forward at decision point 3 (OBC).
Forecasted Full Approval Date (Decision Point 5):	March 2020
Forecasted Completion Date (Decision Point 6):	January 2022
Total Scheme Cost (£):	£9.662 million
Combined Authority Funding (£):	£9.662 million - West Yorkshire-plus Transport Fund
Total other public sector investment (£):	None
Total other private sector investment (£):	None
Is this a standalone Project?	Yes
Is this a Programme?	No

Is this Project part of an agreed Programme?

Yes- Corridor Improvement Programme

Current Assurance Process Activity:



Scheme Description:

The scheme focuses on traffic improvements at the junction of Thornton Road/Cemetery Road and A6177 Whetley Lane/Toller Lane, in order to improve highway efficiency for the benefit of all road users. The scheme locations focus on bringing improvements to the A6177 Outer Ring Road, part of the West Yorkshire Key Route Network (KRN). Improvements to the Toller Lane junction directly benefit the A6177 Outer Ring Road and Thornton Road/Cemetery Road junction brings associated impacts through further works on this corridor, where the Thornton Road/A6177 Ingleby Road junction has been improved in recent years.

In particular at A6177 Whetley Lane/Toller Lane:

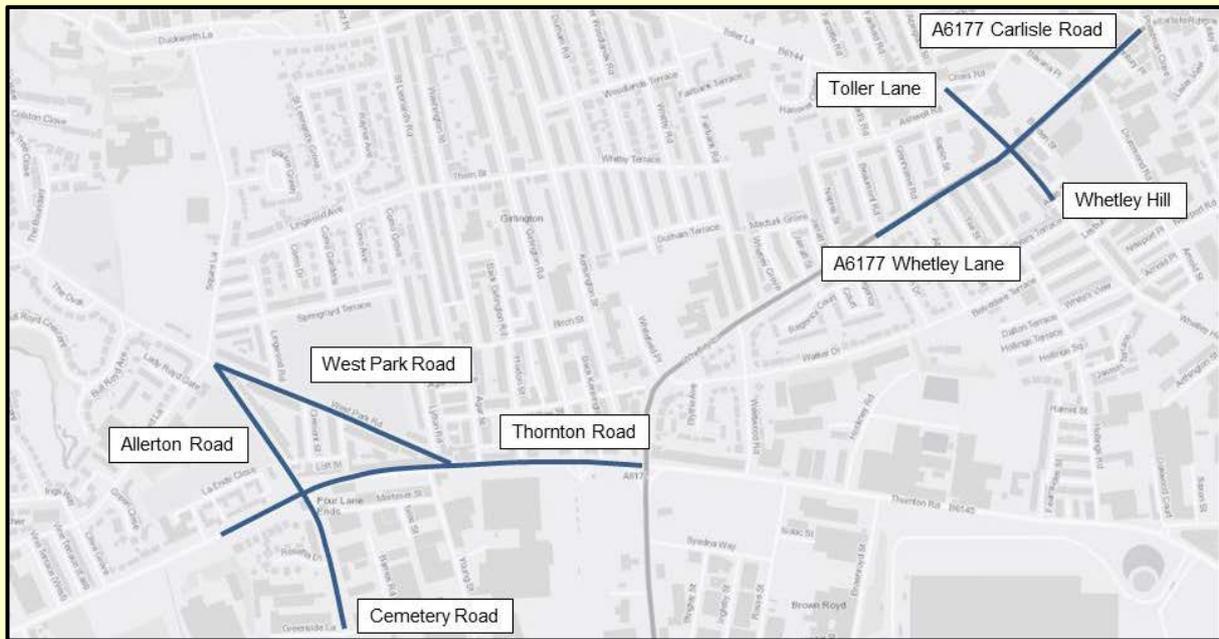
- Two-lane approaches to junction on A6177;
- Dedicated left turns from A6177;
- Two lanes in both directions on Toller Lane from the Carlisle Road junction to existing dual carriageway;
- Flare out approaches on Toller Lane and Whetley Hill to provide a short right-turn lane;
- Improvement for pedestrians and cyclists

Thornton Road/Cemetery Road:

- Formalise right-turn lane inbound on Thornton Road into Cemetery Road;
- Widen westbound direction on Thornton Road to have two lanes from the A6177;
- Two-lane approach on Allerton Road;
- Two lanes north on Cemetery Road approach and two lanes on Allerton Park exit;
- Improvement for pedestrians and cyclists

The scheme locations are shown in Figure 1

Figure 1: Scheme Locations



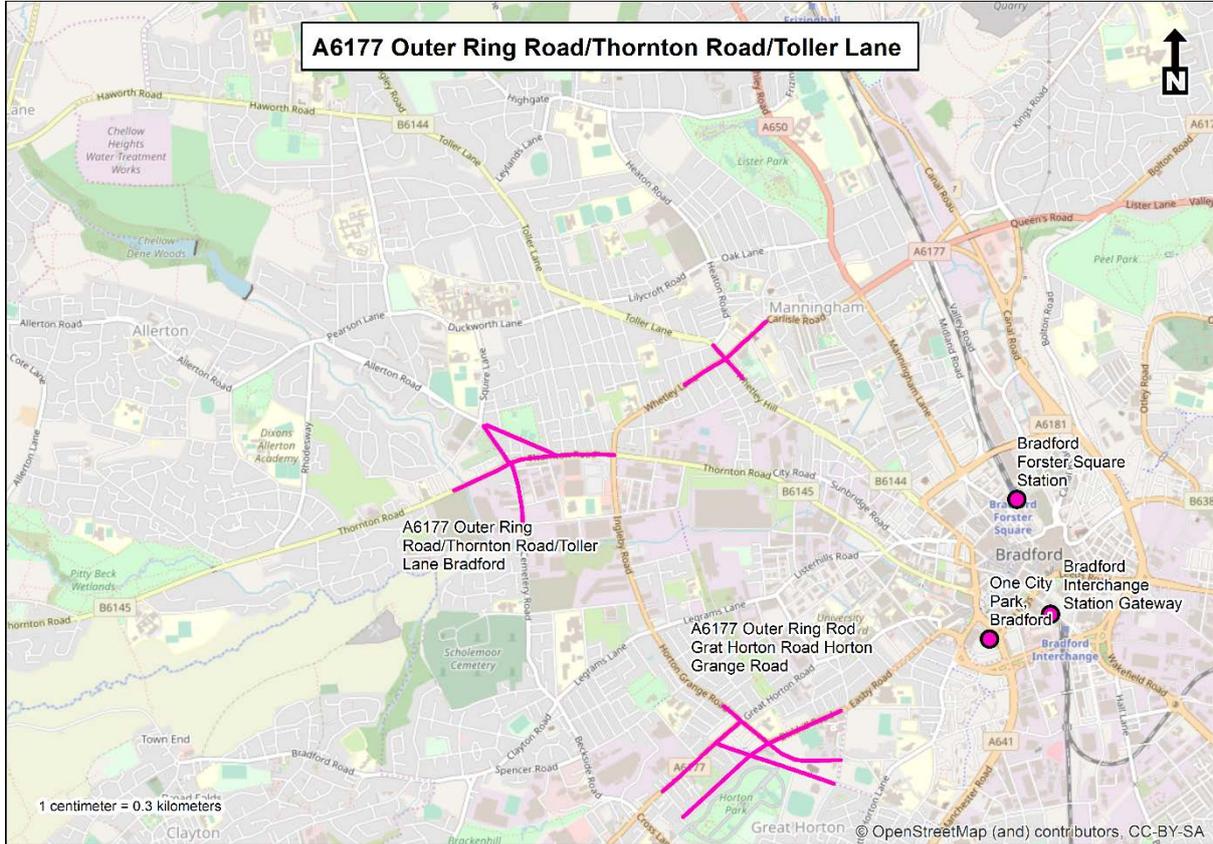
Business Case Summary:

<p>Strategic Case</p>	<p>Bradford is the fifth largest city authority in the UK with a £9.2 billion economy.</p> <p>The Outer Ring Road is identified as part of the West Yorkshire Key Route Network and is an important asset to Bradford. The route is congested and the junctions are seen as locations where improvement can alleviate capacity issues.</p> <p>This project forms part of the West Yorkshire Plus Transport Fund Programme which aims to deliver Priority 4 of the Strategic Economic Plan (SEP), Infrastructure for Growth. This project aims to reduce congestion and improve journey times, which provides access to jobs and investment within Bradford.</p>
<p>Commercial Case</p>	<p>Bradford city centre currently suffers from congestion, partly as a result of a significant volume of traffic avoiding the congested Outer Ring Road. Improvements to the A6177 Outer Ring Road are essential to improve accessibility of people to jobs and of goods to the market place. The proposed scheme looks to enhance capacity through both the A6177 Whetley Lane/Toller Lane and Thornton Road/Cemetery Road junctions.</p>
<p>Economic Case</p>	<p>The project will deliver against Strategic Priority 4, Infrastructure for Growth. This project aims to unlock the economic potential of the wider area and corridor by increasing capacity and improving journey times. The additional highway capacity will assist in unlocking new development land that will allow new housing and business space to be developed. Improved vehicle throughput at the junctions will improve air quality and noise pollution.</p> <p>The economic assessment shows that the scheme is predicted to provide very high value for money.</p>

Financial Case	The project costs are estimated to be £9.662 million which will be 100% funded through the West Yorkshire-plus Transport Fund from the Combined Authority. A further £0.721 million is sought to develop the project to Full Business Case with Costs (decision point 5).
Management Case	This project will be managed by City of Bradford Metropolitan Borough Council utilising PRINCE2 project management principles for delivery. This project forms part of the Corridor Improvement Programme. A core project team is in place and consultants will be brought in for support where required as the project progresses.

Location map:

The following location map shows the scheme in relation to the other Combined Authority funded schemes in the surrounding area.



Please note, depending on the level of scheme development the location and scope of the schemes indicated here are indicative only.

For further information on Combined Authority schemes across the Leeds City Region please refer to: <https://www.westyorks-ca.gov.uk/economy/leeds-city-region-infrastructure-map/>



Report to: West Yorkshire and York Investment Committee

Date: 12 April 2019

Subject: **European Structural and Investment Funds (ESIF) – Sustainable Urban Development (SUD)**

Director: Angela Taylor, Director, Corporate Services

Author(s): Heather Waddington

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	Para 3

1. Purpose of this report

- 1.1 To consider an outline application for SUD, part of the ESIF Programme, and provide advice to the Combined Authority, in its role as the Intermediate Body (IB).

2. Information

- 2.1 On 8 March 2017, the Investment Committee considered and noted the roles and responsibilities relating to Intermediate Body (IB) status delegated to West Yorkshire Combined Authority in order to deliver the SUD Strategy, part of the ESIF Programme.
- 2.2 The Committee, in its advisory role, provided advice on the first draft SUD Call at its meeting in June 2017, which was subsequently agreed by the Combined Authority, at the 29 June 2017 meeting, for it to be published July 2017 by the Managing Authority (MA), Ministry of Housing, Communities and Local Government (MHCLG).
- 2.3 The Combined Authority selected the first round of projects to progress to full application stage following final reconciliation to the available budget by the MHCLG as MA for the funds. This resulted in four out of the five selected

projects asked to progress to full application in February 2018, with one project placed on a reserve list should funds become available. Given the high attrition rate a new Call was published on Friday 8 June 2018 and closed 27 July 2018 by the MA. A further eight applications were received, considered late 2018 and four further applications were selected to progress to full application.

- 2.4 However, despite a good response to the second round call a third round call was published. The Call was not materially changed from that previously approved. The Call grant value was £7m.

The Call for SUD outline applications

- 2.5 The Call was published on 10 January 2019 and closed 22 February 2019 for outline applications. In response to this Call one outline application has been received and which is presented to the Investment Committee (IC). Advice of the IC is sought to support the Combined Authority, acting as the IB for SUD, to inform its decision(s) with regard to project selection.
- 2.6 The assessment of the outline application is attached to this report as **Exempt Appendix 2** together with a covering note (**Exempt Appendix 1**). The IC is requested to consider the content of the outline assessment and the recommended conditions and provide advice to the Combined Authority, in its role as Intermediate Body, for its meeting on 25 April 2019.

Selection Process and Assessment Form

- 2.7 The selection process for SUD, part of the ESIF programme, has been set out in guidance notes issued to the IB by MHCLG, as the MA.
- 2.8 The IB has assessed the outline application for local strategic fit based on the Leeds City Region ESIF SUD Strategy. In considering the strategic fit a qualitative approach has been used to assess the following to come to an overall view:
- Does the proposed operation contribute to the needs/opportunities identified in the Call to which it is responding?
 - Does the proposed operation align to the local growth needs set out in the local ESIF (SUD) Strategy?
- 2.9 In addition the Combined Authority as IB will take into account advice from the IC to support the MA's assessment of:
- 2.9.1 Value for money – the operation must represent value for money. In assessing value for money, the MA takes account of:
- efficiency: the rate/unit costs at which the operation converts inputs to the fund outputs;

- economy: the extent to which the operation will ensure that inputs to the operation are at the minimum costs commensurate with the required quality;
- effectiveness: the extent to which the operation contributes to programme output targets, results and/or significant strategic impact at the local level;
- that the investment will deliver activities and impacts that would not otherwise take place.

2.9.2 Deliverability

- The operation is deliverable within the requirements of the fund specific operational programme taking into account risks, constraints and dependencies.
- Evidence has shown that this type of operation is effective, the risks have been considered and appropriate mitigations put in place.

2.10 Assessment forms are designed and owned by MHCLG. The Assessment form is split in to 5 sections and each completed by either the IB or the MA as follows:

- Part 1, summary project details - completed by MHCLG
- Part 2, the gateway assessment - completed by MHCLG
- Part 3, the IB's assessment - completed by the Combined Authority
- Part 4, the MA's assessment - completed by MHCLG
- Part 5, selection decision - completed by the Combined Authority (5a) and MHCLG (5b).

2.11 Following the IC's advice the IB will finalise its assessment and advice to the MA and make its selection decision. The assessment will then be forwarded to the MA, who will then finalise its assessment (taking account of the advice provided by the IB), and make its selection decision.

Undertaking the Assessment

2.12 In line with the agreed IB Conflict of Interest Statement and Operating Protocol the outline application has been considered by the Appraisal Team, under the responsibility of the Head of Research and Intelligence from the Combined Authority, who have undertaken their own assessment in line with the criteria outlined above. Their findings are presented to the IC at the meeting. In addition to officers from the Appraisal team the MA will also be in attendance and can respond to questions raised by IC members regarding the assessment as required.

2.13 Only projects that pass both the IB's and the MA's selection criteria will be invited to submit a full application. A failure to meet either the IB's or the MA's selection criteria will result in rejection of the project.

2.14 Having concluded the assessment process the MA will, if it determines the project may proceed, invite the applicant to submit a full application. The MA

will, in the spirit of joint working, meet with the Combined Authority at the conclusion of this reconciliation to clarify its decision.

3. Financial Implications

- 3.1 MHCLG, as MA for the funds, is responsible for the issuing of Funding Agreements, paying projects and general contract management. The funding within the Strategy (€19.95m) is a notional budget and is part of the ESIF ERDF programme. All finances go directly through MHCLG's accounts not the Combined Authority's.

4. Legal Implications

- 4.1 The information contained in Appendices 1 to 2 is exempt under paragraph 3 of Part 1 to Schedule 12A of the Local Government Act 1972 as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that the public interest in maintaining the content of the appendices as exempt outweighs the public interest in disclosing the information as publication could prejudice current and future decision making.

5. Staffing Implications

- 5.1 There are no staffing implications directly arising from this report.

6. External Consultees

- 6.1 MHCLG have been consulted in their role as Managing Authority in the production of this report.

7. Recommendations

- 7.1 It is recommended that the Investment Committee consider the outline application for SUD, part of the ESIF Programme, and provide advice to the Combined Authority, in its role as Intermediate Body.

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**MINUTES OF THE MEETING OF THE
BUSINESS INVESTMENT PANEL
HELD ON THURSDAY, 7 MARCH 2019 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Councillor Tim Swift MBE
Councillor Darren Byford
Councillor Alex Ross-Shaw
Michael Allen
Colin Glass OBE
Marcus Mills

Calderdale Council
Wakefield Council
Bradford Council
NatWest Bank
WGN
BigWord

In attendance:

Henry Rigg
Kate Thompson
Phil Cole
Paul Hyde
Lorna Holroyd
Neill Fishman
Chris Brunold
Lauren Thomas
Megan Hemingway

West Yorkshire Combined Authority
West Yorkshire Combined Authority
Leeds City Council
Leeds City Council (Up to minute 72)
West Yorkshire Combined Authority
West Yorkshire Combined Authority
West Yorkshire Combined Authority
West Yorkshire Combined Authority
West Yorkshire Combined Authority

67. Apologies for absence

Apologies for absence were received from Councillor Blake, Councillor Graham Swift, Councillor Pandor, Simon Wright and Jonathan King.

In the absence of Councillor Blake, Councillor Tim Swift chaired the meeting.

68. Declarations of disclosable pecuniary interests

Michael Allen disclosed a pecuniary interest in relation to Business Grants Programme exempt item 6 appendices 3 and 4 – grant application 1101024.

69. Exempt information - 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 Appendices 1, 2, 3 and 4 of Item 5, Appendices 1, 2, 3

and 4 of Item 6 and Appendices 1 and 2 of Item 7 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.

70. Minutes of the meeting of the Business Investment Panel held on 5 February 2019

Resolved: That the minutes of the Business Investment Panel held on 5 February 2019 be approved and signed by the Chair.

71. Strategic Inward Investment Fund

The Panel considered a report which outlined the current position regarding progress in committing grants through the Leeds City Region Enterprise Partnership (the LEP) Strategic Inward Investment Fund (SIIF).

It was noted that there were no new grant applications for consideration at this meeting.

An update was provided on project SIIF 007, which had previously been considered at the Panel meeting on 5 February 2019, detailed in **exempt appendices 1, 2, 3 and 4**. Due to Panel concerns further due diligence had been carried out and more information requested from the applicant.

Resolved:

- (i) That the Panel notes the progress report on the Strategic Inward Investment Fund (SIIF).
- (ii) That the Panel notes the update provided on project reference SIIF 007 and recommends that the application be rejected.

72. Business Grants Programme

The Panel considered a report which outlined the current position regarding progress in committing grants through the Leeds City Region Enterprise Partnership (the LEP) Business Grants Programme (BGP).

The Panel was asked to consider the two new grant applications detailed at 3.1. Firstly for project reference 1101231 (Wakefield), attached at **exempt appendices 1 and 2** and secondly for project reference 1101024 (Bradford), attached at **exempt appendices 3 and 4**.

Members were provided with an update on the application project reference 1100964 for a Kirklees based business, which had previously been considered at Panel on 10 January 2019. It had been recommended that the project be approved at a lower level than requested, as the business had received a previous grant award of £126,500 in June 2017.

The Panel was informed that the recommended reduced grant award level of £123,500 was formally approved by the Combined Authority's Managing Director on 23 January 2019. A funding agreement is now being finalised with the business.

Michael Allen left the meeting during discussion of project reference 1101024.

Resolved:

- (i) That the update on progress on the Business Grants Programme be noted.
- (ii) That the Panel recommends the grant application 1101231 for approval, subject to increased level of job creation.
- (iii) That the Panel recommends the grant application 1101024 for approval at the lower level of £137,000.
- (iv) That the update on the application project reference 1100964 be noted.

73. Growing Places Fund loans

The Panel considered a report which provided an update on the progress in committing loans through the Leeds City Region Enterprise Partnership (the LEP) Growing Places Fund (GPF). It was noted that there would be an uplift in both number of homes created and in anticipated capital received in this financial year.

The Panel was updated on two projects with changed circumstances (loan 315 and loan 109), attached at **exempt appendices 1 and 2** respectively.

Resolved:

- (i) That the update on progress on the Growing Places Fund be noted.
- (ii) That the update on the changed circumstances of loan 315 having gone into administration be noted.
- (iii) That the update on the changed circumstances of loan 109 having been repaid early be noted.

74. Date of next meeting

The next meeting is 30 April 2019 at 2pm in Committee Room A, Wellington House, Leeds.

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