

WEST YORKSHIRE AND YORK INVESTMENT COMMITTEE

**MEETING TO BE HELD AT 11.00 AM ON WEDNESDAY, 4 DECEMBER
2019 IN COMMITTEE ROOM A, WELLINGTON HOUSE, 40-50
WELLINGTON STREET, LEEDS**

A G E N D A

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**
- 3. EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC**
 1. To highlight Appendix 1 to Agenda Item 7, Appendix 1 to Agenda Item 8 and Appendices 1, 2 and 3 to Agenda Item 9 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 7, 4.1 of Agenda Item 8, and 4.1 of Agenda Item 9.
 2. 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 Appendix 1 to Agenda Item 7, Appendix 1 to Agenda Item 8 and Appendices 1, 2 and 3 to Agenda Item 9 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 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 7 NOVEMBER**
(Pages 1 - 4)
- 5. CAPITAL PROGRAMME UPDATE**
(Pages 5 - 12)
- 6. CAPITAL SPENDING AND PROJECT APPROVALS**
(Pages 13 - 118)
- 7. LEEDS CITY COLLEGE, QUARRY HILL - PROJECT UPDATE**
(Pages 119 - 130)
- 8. FUTURE FUNDING ARRANGEMENTS - LOANS**
(Pages 131 - 164)
- 9. ESIF SUD**
(Pages 165 - 176)
- 10. MINUTES OF THE BUSINESS INVESTMENT PANEL HELD ON 7 NOVEMBER 2019**
(Pages 177 - 180)

Signed:

A handwritten signature in black ink, consisting of the letters 'BSM' in a stylized, cursive font, with a horizontal line underneath.

**Managing Director
West Yorkshire Combined Authority**



**MINUTES OF THE MEETING OF THE
WEST YORKSHIRE AND YORK INVESTMENT COMMITTEE
HELD ON THURSDAY, 7 NOVEMBER 2019 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Councillor Peter Box CBE (Chair)	Wakefield Council
Councillor Alex Ross-Shaw	Bradford Council
Councillor Jonathan Pryor	Leeds City Council
Councillor Jane Scullion	Calderdale Council
Councillor Peter McBride	Kirklees Council

In attendance:

Marc Cole	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Craig Taylor	West Yorkshire Combined Authority
Jane Green	West Yorkshire Combined Authority
Peter Coello	West Yorkshire Combined Authority
Ambrose White	West Yorkshire Combined Authority
Ben Kearns	West Yorkshire Combined Authority

23. Apologies for Absence

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

24. Declarations of Disclosable Pecuniary Interests

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

25. 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 Appendices 1 and 2 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.

26. Minutes of the Meeting of the West Yorkshire and York Investment Committee held on 4 October

Resolved: That the minutes of the last meeting be approved.

27. Capital Programme Update

As it was Councillor Box's final meeting Investment Committee members wished to thank him for his time as Chair over the last few years. Members thanked him for his expertise and help in overseeing more than £350 million in investment for the region. Councillor Box thanked members for their kind words.

Members considered a report which provided an update on the progress made on the implementation of the West Yorkshire Combined Authority's capital programme, the Growth Deal programme and the Leeds Public Transport Investment Programme.

Resolved: That the report be noted.

28. Capital Spending & Project Approvals

The Committee considered a report which set out 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 Local Growth Fund, for consideration by the Investment Committee at stages 1, 2 and 3 of the Combined Authority's assurance process.

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

- Leeds City Region Skills for Growth
- White Rose station
- LTP – Integrated Transport Block – Districts' Programmes

The Committee was also advised of the following decisions made through delegations to the Combined Authority's Managing Director since the last meeting:

- Kirklees Transport Model Update
- Outwood Rail Station Park and Ride

Resolved:

- (i) That in respect of the Leeds City Region Skills for Growth Programme the Investment Committee recommends to the Combined Authority:
 - (a) That the Leeds City Region Skills for Growth programme proceeds through decision point 2 and work commences on activity 5 (full

business case with finalised costs).

- (b) That an indicative approval to the Combined Authority's contribution of £2.429 million (which will be funded through £1.464 million from the ESIF fund and £964,925 from the Local Skills Fund be given with full approval to spend being granted once the outcome of the ESIF bid is known and the scheme has progressed through the assurance process to decision point 5. The total project value is £2.929 million with the remaining £500,000 to be raised from business sponsorship.
 - (c) That future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 remaining within the tolerances outlined in this report
- (ii) That in respect of the White Rose Station project the Investment Committee recommends to the Combined Authority:
- (a) That the White Rose Station 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 £5 million is given from the LPTIP 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 development costs of £2.611 million are approved in order to progress the scheme to decision point 5 (full business case with finalised costs), taking the total project approval to £3.111 million.
 - (d) That the Combined Authority enters in to a Funding Agreement with the developer for expenditure of up to £1.9 million from the LPTIP Fund.
 - (e) That future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 this report.
- (iii) That in respect of the Integrated Transport Block – 2019-2022 – West Yorkshire Districts - programme the Investment Committee approved:
- (a) That the Integrated Transport Block – 2019-2022 – West Yorkshire Districts - programme project proceeds through decision point 2 and 5 and work commences on activity 6 (delivery).
 - (b) That an approval to the total project value of £26.9 million is given from

the Local Transport Plan Integrated Transport Block fund.

- (c) That future approvals are made in accordance with the approval pathway and approval route outlined in this report including at decision point 6 and 7 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.

29. ESIF SUD

The Committee considered a report on one full application for Sustainable Urban Development (SUD), part of the European Structural and Investment Funds (ESIF) and provided advice regarding the applications to the Combined Authority in its role as the Intermediate Body.

Resolved: That the Investment Committee recommend to the Combined Authority the full application for SUD, part of the ESIF Programme.

30. Minutes of the meeting of the Business Investment Panel held on 5 September 2019

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



Report to: West Yorkshire and York Investment Committee

Date: 4 December 2019

Subject: **Capital Programme Update**

Director: Marc Cole, Interim Director of Delivery

Author(s): Lynn Cooper

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

1 Purpose of this report

- 1.1 To update the Committee on progress made on the implementation of the West Yorkshire Combined Authority's capital programme. This report provides an update on the position on the Growth Deal spend and forecast as at Quarter 2 2019/20 and of the independent evaluation of the Growth Deal.

2 Information

Growth Deal Programme

- 2.1 At the last meeting it was reported that quarter 2 spend on the Growth Deal programme was £17.17 million, 16.3% of forecast. Minor amendments have now been made following changes to the PIMS database. The revised actual spend is £17.36 million, 16.5% (detailed in the attached Growth Deal dashboard Appendix 1).
- 2.2 A concern now identified at the quarter 2 monitoring is that the forecast expenditure for 2019/20 has reduced to £86.52 million against a target of £105.40 million. The forecast at quarter 1 was on track but during quarter 2

there have been a number of reductions to forecast spend on individual Transport Fund projects.

- 2.3 Whilst there are reasons for some of these reductions (delays to land purchase, start on site etc) projects are generally progressing well the main reason for the reduction relates to issues of spend forecasts that were made at the beginning of 2019/20. There is an ongoing concern regarding expenditure forecasts across the whole of the Transport Fund and on some Housing and Regeneration projects. A full review is currently being undertaken by the Interim Director of Delivery which seeks to clarify the position and determine what actions are required to mitigate this risk. A more detailed report will be presented to the Investment Committee in January 2020.

Independent Evaluation of Growth Deal Interventions (Gateway Review)

- 2.4 The final report on the independent review of the West Yorkshire plus Transport Fund, undertaken as part of the national evaluation of the Growth Deal by SQW has now been completed and provides a positive outcome to the review of the programme. The report will be submitted to Government along with a Complementary Report from the LEP Chair. This emphasises the positive progress of the Growth Deal programme (not just the Transport Fund) to date.
- 2.5 The LEP Chair and the Managing Director of the Combined Authority will attend a challenge session in relation to this evaluation on 14 January 2020. The session will be chaired by the Co-Director of the Cities and Local Growth Unit.
- 2.6 Following the challenge session, the Cities and Local Growth Unit will submit recommendations to Ministers based on the Gateway Review Report, Complementary Report and conclusions from the challenge session. Ministers will use these recommendations to make decisions on the future funding of the Transport Fund, commencing from 2021/22 for the Leeds City Region.

3 Financial implications

- 3.1 Financial implications are included within the body of the report.

4 Staffing implications

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

5 Legal implications

- 4.1 There are no legal implications directly arising from this report.

6 External consultees

- 6.1 No external consultations have been undertaken.

7 Recommendations

7.1 It is recommended that the Investment Committee notes the progress report on the Growth Deal and the update on the Independent Evaluation of the Growth Deal programme.

8 Background documents

8.1 None.

9 Appendices

9.1 Appendix 1 – Growth Deal Dashboard Quarter 2 2019/20

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2019/20 Q2 Growth Deal Financial Dashboard (to 30/09/2019)
All figures in £ million

Target

105.4

17.4

Actual 2019/20

SEP Priority	Project Name	Original Allocation	Indicative Funding	Full Funding Approval	Overall RAG	Cumulative Actual Spend Prior to 2019/20	Agreed Annual Forecast 2019/20	Actual Spend 2019/20	Forecast Spend 2019/20	Actual & Forecast Total Spend 2019/20	In Year RAG	2020/21 Forecast	Total to 2020/21
0	Growth Deal Programme Delivery Costs					5.443	2.000		2.000	2.000	Green	2.000	9.443
	N/A Total					5.443	2.000		2.000	2.000		2.000	9.443
Priority 1 - Growing	Access to Capital Grants Programme	15.700	15.700	15.700	Green	10.786	2.341	1.117	1.224	2.341	Green	2.572	15.700
	Business Expansion Fund - Digital Inward Investment Fund	1.000	2.500	2.500	Green/Amber	.055	.458	.116	.450	.565	Green/Amber	1.880	2.500
	Business Expansion Fund - Strategic Inward Investment Fund	12.450	10.950	10.950	Amber/Red	1.559	.800	.171	.644	.815	Amber/Red	2.576	4.950
	Business Growth Programme	27.000	34.000	34.000	Green	21.020	4.911	1.464	3.447	4.911	Green/Amber	8.069	34.000
	Huddersfield Incubation and Innovation Programme	2.922	2.922	2.922	Green	2.922					Green		2.922
	Institute for High Speed Rail and System Integration		13.047		Green		4.300		4.300	4.300	Green	8.747	13.047
	Leeds University Innovation Centre	3.000	3.000	3.000	Green/Amber	3.000					Green		3.000
	Priority 1 - Over-programming												-14.047
	Priority 1 - Growing Business Total	62.072	82.119	69.072		39.342	12.810	2.868	10.065	12.933		23.844	62.072
Priority 2 - Skilled People and Better Jobs	Bradford College	.250	.250	.250	Green	.250							.250
	Calderdale College	4.977	4.977	4.977	Green	4.977							4.977
	Kirklees College - Dewsbury Learning Quarter	11.120	11.121	11.971	Amber	9.797	.658		.657	.657	Amber	.667	11.121
	Kirklees College - Process Manufacturing Centre	3.100	3.101	3.101	Green	3.101							3.101
	Leeds City College - Printworks	9.000	8.998	8.998	Green	8.998							8.998
	Leeds City College - Quarry Hill	33.400	39.900	39.900	Amber	39.843	.057		.057	.057	Amber		39.900
	Leeds College of Building	11.900	13.350	13.350	Green	13.351					Green		13.350
	Selby College	.690	.694	.694	Green	.694							.694
	ShIPLEY College - Mill	.120	.119	.119		.119							.119
	ShIPLEY College - Salt Building	.300	.300	.300	Green	.300							.300
	Wakefield College	3.300	3.327	3.327	Green	3.327							3.327
	Priority 2 - Loans												-7.980
	Priority 2 - Skilled People and Better Jobs Total	78.157	86.137	86.987		84.757	.715	-.001	.714	.714		.667	78.157
Priority 3 - Clean Energy and Economic Resilience	Energy Accelerator	1.200	.820	.820		.218	.196		.191	.191		.411	.820
	Leeds District Heat Network	4.000	4.000	4.000	Green	4.000					Green		4.000
	Resource Efficiency Fund #1	.600	.720	.720	Green	.612	.104	.065	.043	.108	Green		.720
	Resource Efficiency Fund #2 Re Biz	.560	.560									.560	.560
	Tackling Fuel Poverty		6.000	5.669	Green	5.668	.002	.002		.002	Green		5.670
	Priority 3 - Balance	6.440											1.030
	Priority 3 - Over-programming												
	Priority 3 - Clean Energy and Economic Resilience Total	12.800	12.100	11.209		10.498	.302	.067	.234	.301		.971	12.800
Priority 4a - Housing and Regeneration	Barnsley Town Centre	1.760	1.757	1.757	Green	1.757					Green		1.757
	Bradford - One City Park	5.200	5.200	5.200	Amber	.400					Green	4.800	5.200
	Bradford Odeon	.330	.358	.358	Green/Amber	.280	.077	.077		.077	Green		.358
	City Centre Heritage Properties - Bradford		7.400		Amber		.300		.300	.300	Green	7.100	7.400
	Dewsbury Riverside		4.612		Green/Amber		1.700				Red	4.612	4.612
	East Leeds Housing Growth - Brownfield Sites	1.100	1.100	1.100	Green	1.100					Green/Amber		1.100
	East Leeds Housing Growth - Red Hall	4.000	4.000	4.000	Green/Amber	4.000					Green/Amber		4.000
	Halifax - Beech Hill	1.000	2.197	1.400	Green/Amber	1.181	.219	.219		.219	Green/Amber		1.400
	Halifax Living Programme (Phase 1)	.764	.830		Green						Green		
	Halifax Town Centre (Northgate House)	1.300	3.000	3.000	Green	1.358	1.642		1.642	1.642	Green		3.000
	Kirklees Housing Sites	1.000	1.000	1.000	Green/Amber	.604	.096		.096	.096	Green		.700
	Leeds - Bath Road	.580	.575	.575	Amber	.575					Green		.575
	New Bolton Woods	3.600	3.600	3.600	Green	3.600					Green		3.600
	Wakefield City Centre - South East Gateway	6.505	6.505		Amber						Green	6.505	6.505
	Wakefield Civic Quarter	1.100	1.100	1.100	Green	1.056	.044		.044	.044	Green		1.100
	York Central	1.700	2.550	2.550	Amber	2.550					Amber		2.550
	York Guildhall	2.350	2.348	2.348	Green	1.801	.547		.248	.248	Green		2.049
	Priority 4a - Balance	9.411										.873	.873
	Priority 4a - Over-programming												-5.079
	Priority 4a - Housing and Regeneration Total	41.700	48.131	27.987		20.262	4.625	.296	2.331	2.627		23.890	41.700
Priority 4b - West Yorkshire + Transport Fund	A6110 Leeds Outer Ring Road	17.800	12.000	.286	NA	.030	.116	.037	.228	.265	Green	.500	.795
	A62 - A644 (Wakefield Road) Link Road	69.270	69.270	.965	Amber/Red	.733	.476	.135	.341	.476	Amber/Red	.761	1.970
	A62 - A644 (Wakefield Road) Link Road (Combined Authority)					.044		-.044		-.044			
	A629 (Phase 1A) - Jubilee Road to Free School Lane	8.160	8.640	8.640	Green/Amber	8.640					Green/Amber		8.640
	A629 (Phase 1A) - Jubilee Road to Free School Lane (Combined Authority)					.000							.000
	A629 (Phase 1B) - Elland Wood Bottom to Jubilee Road	18.900	18.900	5.670	Amber	2.111	2.000	.146	1.268	1.413	Amber	4.965	8.490
	A629 (Phase 2) - Eastern Gateway and Station Access Improvements	40.930	40.930	3.247	Amber	2.615	.338	.146	.358	.505	Green	17.142	20.262
	A629 (Phase 2) - Eastern Gateway and Station Access Improvements (Combined Authority)					.126							.126
	A629 (Phase 2) - Halifax Bus Station		.566	.566	Amber			.084	.482	.566	Green		.566
	A629 (Phase 4) - Ainley Top	30.000	25.928	7.085	Green/Amber	.556	.500	.078	.153	.231	Amber	.650	1.437
	A629 (Phase 4) - Ainley Top (Combined Authority)												
	A629 (Phase 5) - Ainley Top into Huddersfield	12.088	12.088	4.418	Green	1.168	2.282	.235	1.836	2.071	Green	2.887	6.127
	A629 (Phase 5) - Ainley Top into Huddersfield (Combined Authority)												
	A641 Bradford - Huddersfield Corridor	75.550	52.400	.794	Amber	.270	.644	.069	.351	.419	Green	.565	1.255
	A65 - Leeds Bradford International Airport Link Road	35.690	35.700	1.785		1.391	.460	.122	.250	.372		.988	2.751
	A650 Hard Ings Road (Phase 1) - Hard Ings Road Only	10.250	9.334	9.334	Green	3.610	2.891	1.320	2.342	3.662	Green	.658	7.930
	A650 Hard Ings Road (Phase 1) - Hard Ings Road Only (Combined Authority)												
	A650 Tong Street	7.070	12.500	.185	Amber	.249	.030	.021	.017	.038	Amber		.286
	A650 Tong Street (Combined Authority)					-.064	.059		.064	.064			
	Aire Valley - Leeds Integrated Transport Package (Phase 1) - Aire Valley Park and Ride	28.830	9.597	9.597	Green/Amber	8.635	.025		.017	.017	Green	.945	9.597
	Aire Valley - Leeds Integrated Transport Package (Phase 1) - Aire Valley Park and Ride (Combined Authority)					.340							.340
	Bradford Forster Square Station Gateway	17.030	17.311	3.671		.360	.216	.033	.146	.179		.437	.776
	Bradford Forster Square Station Gateway (Combined Authority)					.057		-.006		-.006			.051
	Bradford Interchange Station Gateway (Phase 1)	10.880	5.650	.293		.197	.082	.009	.062	.071		.170	.339
	Bradford Interchange Station Gateway (Phase 1) (Combined Authority)					.014							.014
	Bradford to Shipley Corridor	47.900	47.900	1.597		1.261	.448	.336	.403	.739		.376	2.576
	Calder Valley Line - Elland Station		2.638	.700		.110	.350	.035	.315	.350		.278	.788
	Calder Valley Line - Elland Station (Combined Authority)		17.362	1.435	Green/Amber	.348	.533	.017	.078	.095	Green/Amber	2.288	2.731
	Castleford Growth Corridor Scheme	37.520	6.858		Amber/Red	.171	1.111	.029	1.074	1.103	Amber/Red	2.198	3.472
	Castleford Station Gateway	4.500	2.836			.257	2.075	.092	1.939	2.032		.548	2.836
	CityConnect Phase 3 Canals												

Agenda Item 5

2019/20 Q2 Growth Deal Financial Dashboard (to 30/09/2019)
All figures in £ million

Target

105.4

17.4

Actual 2019/20

SEP Priority	Project Name	Original Allocation	Indicative Funding	Full Funding Approval	Overall RAG	Cumulative Actual Spend Prior to 2019/20	Agreed Annual Forecast 2019/20	Actual Spend 2019/20	Forecast Spend 2019/20	Actual & Forecast Total Spend 2019/20	In Year RAG	2020/21 Forecast	Total to 2020/21
	CityConnect Phase 3 Castleford to Wakefield Greenway Phase 4												
	CityConnect Phase 3 Cooper Bridge		1.862	.365				.015		.015		.350	.365
	CityConnect Phase 3 Huddersfield Town Centre												
	CityConnect Phase 3 Leeds		6.504	.100				.055	.045	.100			.100
	CityConnect Phase 3 West Yorkshire Combined Authority		12.053	.695		.000	.774	.013	.053	.066		.020	.086
	Clifton Moor Park and Ride	9.760											
	Corridor Improvement Programme - Bradford - A6177 Great Horton Road - Cross Lane (12)	2.500	2.500	.180	Green/Amber	.235					Green	.235	.235
	Corridor Improvement Programme - Bradford - A6177 Great Horton Road - Cross Lane (12) (Combined Authority)					-.121						-.121	-.121
	Corridor Improvement Programme - Bradford - A6177 Great Horton Road - Horton Grange Road (15)	3.150	4.205	.809	Green	.273	.180	.172	.239	.411	Green	1.749	2.433
	Corridor Improvement Programme - Bradford - A6177 Great Horton Road - Horton Grange Road (15) (Combined Authority)					-.020						-.020	-.020
	Corridor Improvement Programme - Bradford - A6177 Thornton Road - Toller Lane (10)	8.500	9.662	.947		.293	.102	.138	.284	.422		3.320	4.036
	Corridor Improvement Programme - Bradford - A6177 Thornton Road - Toller Lane (10) (Combined Authority)					.003							.003
	Corridor Improvement Programme - Bradford - A650 Shipley Airedale - A647 Leeds Road	10.300		.277									
	Corridor Improvement Programme - Calderdale - A58 - A672 Corridor	6.020	6.024	.942	Green/Amber	.207	.450	.196	.254	.450	Green/Amber	2.284	2.941
	Corridor Improvement Programme - Calderdale - A58 - A672 Corridor (Combined Authority)					.008		.000		.000			.007
	Corridor Improvement Programme - Calderdale - A646 - A6033 Corridor	5.090	5.092	.790	Green/Amber	.146	.414	.112	.302	.414	Green/Amber	1.731	2.291
	Corridor Improvement Programme - Calderdale - A646 - A6033 Corridor (Combined Authority)					.008		.000		.000			.007
	Corridor Improvement Programme - Kirklees - A62 Smart Corridor	7.500	7.906	.855		.406	.462	.229	.233	.462		7.038	7.906
	Corridor Improvement Programme - Kirklees - A62 Smart Corridor (Combined Authority)					.045						.045	.045
	Corridor Improvement Programme - Kirklees - Holmfirth Town Centre	4.900	4.900	.250	Amber	.147	.308	.038	.240	.278	Amber	.910	1.334
	Corridor Improvement Programme - Kirklees - Holmfirth Town Centre (Combined Authority)												
	Corridor Improvement Programme - Kirklees - Huddersfield Southern Corridors	8.200	8.199	2.234	Green/Amber	.275	.859	.095	.764	.859	Green	3.340	4.474
	Corridor Improvement Programme - Kirklees - Huddersfield Southern Corridors (Combined Authority)												
	Corridor Improvement Programme - Leeds - Dawsons Corner	15.000	15.000	2.607	Green/Amber	.523	2.772	.060	1.614	1.674	Green/Amber	6.349	8.546
	Corridor Improvement Programme - Leeds - Dyneley Arms	8.000	2.747	.775		.269	1.737	.057	.139	.196		2.281	2.747
	Corridor Improvement Programme - Leeds - Dyneley Arms (Combined Authority)					.026							.026
	Corridor Improvement Programme - Leeds - Fink Hill	.950	4.150	.519	Amber	.123	.729	.038	.228	.266	Amber/Red	2.650	3.039
	Corridor Improvement Programme - Wakefield - A650 Newton Bar	4.230	6.708	.205	Green/Amber	.142	2.299	.063	.124	.187	Green/Amber	6.311	6.640
	Corridor Improvement Programme - Wakefield - A650 Newton Bar (Combined Authority)												
	Corridor Improvement Programme - Wakefield - Owl Lane	2.560	2.561	.075		.054	.001	.001		.001		2.507	2.561
	Corridor Improvement Programme - Wakefield - Owl Lane (Combined Authority)												
	Corridor Improvement Programme (Phase 1)		.408	.408	NA	.008	.100		.100	.100	Green	.158	.266
	Corridor Improvement Programme (Phase 2)												
	Corridor Improvement Programme (Phase 3)												
	Glasshoughton Southern Link Road	7.090	5.968	5.968	Green	.807	4.885	1.553	2.692	4.245	Green	.915	5.968
	Glasshoughton Southern Link Road (Combined Authority)					4.493			-4.493	-4.493			
	Halifax Station Gateway	10.600	10.600	1.355		.564	.500	.292	.300	.593		.750	1.906
	Halifax Station Gateway (Combined Authority)					.002							.002
	Harrogate Road - New Line	4.920	6.765	2.875	Green	2.796	2.439	.079	2.052	2.132	Amber	1.819	6.746
	Harrogate Road - New Line (Combined Authority)					.004							.004
	Huddersfield Station Gateway (Phase 1)		5.000	.115	Green	.010	.170	.055	.115	.170	Green/Amber	4.820	5.000
	Huddersfield Station Gateway (Phase 1) (Combined Authority)					.001							.001
	Huddersfield Station Gateway (Phase 2)		5.000	.022	NA	.022	.006	.002	.006	.008		.008	.038
	Huddersfield Station Gateway (Phase 2) (Combined Authority)					.030							.030
	Leeds City Centre Network and Interchange Package	36.500	66.800	3.774	Amber	1.678	3.524	.308	3.347	3.655	Green/Amber	22.130	27.463
	Leeds ELOR and North Leeds Outer Ring Road	73.260	90.330	90.330	Amber	22.830	25.000	4.335	11.173	15.507	Amber	48.983	87.320
	Leeds ELOR and North Leeds Outer Ring Road (Combined Authority)					3.764						-3.762	.002
	Leeds Inland Port		3.170				1.077						
	Leeds Station Gateway - Leeds Integrated Station Masterplan	.400	.400	.400	Green	.312	.024		.030	.030	Green	.058	.400
	Leeds Station Gateway - New Station Street	1.590	2.120	2.120	Green/Amber	.722	1.395	.895	.503	1.398	Green		2.120
	M62 Junction 24A	18.510	18.510	.070		.044		.008	.007	.016			.060
	Mirfield to Dewsbury to Leeds (M2D2L)	12.510	12.500	.535	Green/Amber	.210	.425	.021	.309	.330	Green/Amber	5.620	6.160
	Mirfield to Dewsbury to Leeds (M2D2L) (Combined Authority)					.010							.010
	Parking Extensions at Rail Stations (PEARS)			.138		.138							.138
	Rail Parking Package - Apperley Bridge	1.200	1.200	.113			.423		.113	.113		.600	.713
	Rail Parking Package - Ben Rhydding	2.101	2.101	.150					.020	.020		1.581	1.601
	Rail Parking Package - Fitzwilliam	.700	.701	.701	Green	.492							.492
	Rail Parking Package - Fitzwilliam (Combined Authority)												
	Rail Parking Package - Garforth	.830	1.129	1.129	Green/Amber	.044	.780	.005	1.080	1.085	Green/Amber		1.129
	Rail Parking Package - Guiseley	7.000	7.000	.143	Amber/Red		.113		.113	.113	Amber	.030	.143
	Rail Parking Package - Hebden Bridge	.650	.884	.884	Amber/Red	.018	.522		.200	.200	Amber	.666	.884
	Rail Parking Package - Mirfield A	.310	.309	.309	Green	.170		.050		.050	Green		.220
	Rail Parking Package - Moorhorpe	1.100	1.100	.111	Green/Amber	.018	.250	.026	.200	.226	Green	.832	1.076
	Rail Parking Package - Mytholmroyd	3.640	3.952	3.952			1.508	.069	1.508	1.577		2.375	3.952
	Rail Parking Package - Normanton	1.440	1.440		Amber				.262	.262	Red	1.178	1.440
	Rail Parking Package - Outwood	1.100	1.540	.210	NA	.051	.392	.019	.140	.159		1.330	1.540
	Rail Parking Package - Outwood (Combined Authority)					-.042		.042		.042			
	Rail Parking Package - Shipley	2.550	2.550		Amber						Amber/Red	2.550	2.550
	Rail Parking Package - South Elmsall	.610	.670	.670	Green	.605							.605
	Rail Parking Package - Steeton and Silsden	2.530	3.879	3.879	Green/Amber		.230		.500	.500	Amber	3.379	3.879
	Rail Parking Package (Phase 1)			1.701	Green	1.209	.569	.005	.297	.302	Green	.270	1.781
	Rail Parking Package (Phase 2)		28.638	2.016	Amber/Red	.033	2.010		.308	.308	Amber/Red	1.120	1.461
	South East Bradford Access Road	46.310	46.310	1.304	Green/Amber	.144	.121	.004	.027	.031	Amber	.298	.472
	South East Bradford Access Road (Combined Authority)					-.084							-.084
	Thorpe Park Station	10.060	10.060	.500		.287							.287
	Transformational - A6120 Leeds Northern Outer Ring Road Improvements		.393	.393	NA			.086	.150	.236	Amber	.157	.393
	Transformational - Bradford Interchange Station Gateway (Phase 2)		.512	.512	Green	.024	.159	.009	.055	.064	Green/Amber		.088
	Transformational - Bradford Interchange Station Gateway (Phase 2) (Combined Authority)					.008		-.003		-.003			.005
	Transformational - Kirklees Transport Model	.167	.167	.167									
	Transformational - LCR Inclusive Growth Corridor Plans		7.000	2.395	Amber	.580		.034	.817	.852	Green/Amber	.636	2.067
	Transformational - NE Calderdale Transformational Programme Study		.400	.400		.174	.195	.031	.196	.226			.400
	Transformational - North Kirklees Orbital Route Feasibility Study		.248	.248	Green/Amber	.131	.046	.050	.067	.117	Green/Amber		.248
	Transformational - North Kirklees Orbital Route Feasibility Study (Combined Authority)		.250	.248		.010							.010
	Transformational - South Featherstone Link Road Feasibility Study	.284	.284	.284		.131	.046	.023	.100	.122		.031	.284
	Transformational - South Featherstone Link Road Feasibility Study (Combined Authority)					.023							.023
	Transformational - York Northern Outer Ring Road Dualling Feasibility Study	.300	.295	.295	Green	.271		.024		.024	Green		.295

2019/20 Q2 Growth Deal Financial Dashboard (to 30/09/2019)
All figures in £ million

Target

105.4

17.4

Actual 2019/20

SEP Priority	Project Name	Original Allocation	Indicative Funding	Full Funding Approval	Overall RAG	Cumulative Actual Spend Prior to 2019/20	Agreed Annual Forecast 2019/20	Actual Spend 2019/20	Forecast Spend 2019/20	Actual & Forecast Total Spend 2019/20	In Year RAG	2020/21 Forecast	Total to 2020/21	
	Wakefield City Centre Package (Phase 1) - Kirkgate	5.400	5.556	5.556	Green	5.526		.030	.000	.030	Green		5.556	
	Wakefield City Centre Package (Phase 1) - Kirkgate (Combined Authority)													
	Wakefield City Centre Package (Phase 2) - Ings Road	3.360	3.452	.270	Green/Amber	.065	.287	.019	.360	.380	Green/Amber	1.502	1.946	
	Wakefield City Centre Package (Phase 2) - Ings Road (Combined Authority)					.003							.003	
	Wakefield Eastern Relief Road	29.400	37.593	37.593	Green/Amber	35.907		.034	.039	.073	Green	1.500	37.480	
	Wakefield Eastern Relief Road (Combined Authority)													
	West Yorkshire Integrated UTMC	7.260	.450	.450	Amber	.277	.173	.057	.046	.103	Green	.070	.450	
	West Yorkshire Integrated UTMC (Combined Authority)													
	West Yorkshire Integrated UTMC (Phase A) - Bradford		.632	.632	NA				.195	.195		.457	.652	
	West Yorkshire Integrated UTMC (Phase A) - Calderdale		.351	.351					.095	.095		.268	.362	
	West Yorkshire Integrated UTMC (Phase A) - Kirklees		.587	.587		.023			.176	.176		.289	.488	
	West Yorkshire Integrated UTMC (Phase A) - Leeds		1.514	1.514								1.560	1.560	
	West Yorkshire Integrated UTMC (Phase A) - Wakefield		.760	.760					.112	.112		.671	.783	
	West Yorkshire Integrated UTMC (Phase B)		2.216	1.225	NA									
	West Yorkshire Plus Transport Fund Delivery					2.943							2.943	
	York Central Access Road and Station Access Improvements	27.000	37.320	3.280	Green/Amber	1.995	2.910	.196	2.607	2.803	Green/Amber	24.489	29.287	
	York Northern Outer Ring Road	37.600	2.450	2.450	Green	2.005	.445	.445		.445	Green		2.450	
	York Northern Outer Ring Road - Phase 1 (Wetherby Road)		3.866	3.866		3.528	.071	.324	.013	.337			3.866	
	York Northern Outer Ring Road - Phase 2 (Monks Cross)		3.585	3.585	NA	.044	1.843	.061		.061		2.610	2.715	
	York Northern Outer Ring Road - Phase 2 (Monks Cross) (Combined Authority)					2.356			2.295	2.295		-2.295	2.356	
	York Northern Outer Ring Road - Phase 3		28.646				2.534		.500	.500		12.300	12.800	
	Priority 4b - Balance of Funding												-138.996	
	Priority 4b - Over-programming													
	Priority 4b - West Yorkshire + Transport Fund Total	927.309	988.041	270.510		133.684	77.130	13.364	44.977	58.340		219.149	272.178	
Priority 4c - Economic Resilience Programme	Flood Alleviation - Brighouse and Clifton	1.500	1.800		Amber						Amber			
	Flood Alleviation - Hebden Bridge	1.500	1.800		Amber						Amber			
	Flood Alleviation - Kirklees	.300	.300		Amber						Amber			
	Flood Alleviation - Leeds (FAS1)	3.787	3.787	3.787	Green	3.787					Green		3.787	
	Flood Alleviation - Leeds (FAS2)	3.900	3.900	3.900	Green		2.302		3.900	3.900	Green		3.900	
	Flood Alleviation - Mytholmroyd	2.500	2.500	2.500	Green/Amber	2.500					Green		2.500	
	Flood Alleviation - Skipton	1.500	1.500	1.500	Green	1.500					Green		1.500	
	Flood Alleviation - Wyke Beck	2.558	2.558	2.558	Green	1.718	.840	.366	.474	.840	Green		2.558	
	Leeds City Region Flood Resilience Programme													
	Natural Flood Management - Colne and Calder	1.299	1.299	1.299	Green	.148	.657	.092	.564	.657	Green	.495	1.299	
	Natural Flood Management - Upper Aire	.388	.388	.388	Green/Amber		.201	.078	.123	.201	Green	.187	.388	
	Priority 4c - Balance of Funding	.768												4.068
	Priority 4c - Economic Resilience Programme Total	20.000	19.832	15.932		9.652	4.000	.537	5.062	5.598		.682	20.000	
Priority 4d - Enterprise Zone Development	EZ - Bradford - Gain Lane		9.877	9.877	Green/Amber				3.240	3.240	Green	6.637	9.877	
	EZ - Bradford - Parry Lane		4.250									1.250	1.250	
	EZ - Bradford - Staithegate Lane		.085	.085			.085	.065	.020	.085			.085	
	EZ - Calderdale - Clifton Business Park		3.356	3.356	Amber	.136	.200	.095	.164	.259	Amber	2.569	2.964	
	EZ - Kirklees - Lindley Moor East													
	EZ - Kirklees - Lindley Moor West				Green/Amber						Green			
	EZ - Kirklees - Moor Park													
	EZ - Leeds - Aire Valley	10.000	4.589	4.589	Green/Amber	4.370	.219		.219	.219	Green/Amber		4.589	
	EZ - Programme	10.000	1.533	1.533	Amber/Red	.247	3.349	.069	.132	.201	Amber	1.084	1.533	
	EZ - Wakefield - Langthwaite Business Park Extension												2.826	2.826
	EZ - Wakefield - South Kirkby Business Park		2.826										2.826	2.826
Priority 4d - Over-programming													-3.123	
	Priority 4d - Enterprise Zone Development Total	20.000	26.516	19.440		4.753	3.853	.229	3.774	4.004		14.367	20.000	
Grand Total		1162.038	1262.876	501.138		308.392	105.434	17.359	69.157	86.516		285.570	516.350	

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Report to: West Yorkshire and York Investment Committee

Date: 04 December 2019

Subject: **Capital Spending and Project Approvals**

Director: Marc Cole, Interim Director of Delivery

Author(s): Craig Taylor / Namrata Chhabra

1 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.

2 Integrated Clean Growth

- 2.1 Through the Assurance Framework and other internal decision-making procedures, we will review and embed clean growth considerations into our activities.
- 2.2 We will:
 - Build on the recent work to strengthen how clean growth and climate change impacts are considered as part of all new schemes that come through the Combined Authority's Assurance Framework (Decision point 1 and 2) and we will review decision point 2 onwards and continue to strengthen clean growth considerations, including climate change impacts.
 - Develop a robust quantifiable methodology for assessing all new schemes predicted carbon emissions/ wider clean growth impacts. This will include a review of all existing Combined Authority schemes and additional resource to support the development and implementation of the new assessments.

3 Report

- 3.1 This report presents proposals for the progression of nine 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 £108.098 million when fully approved, of which the total value of £89.140 million will be funded by the Combined Authority. Further details on the schemes are summarised below and can be found as part of this report.
- 3.2 The Benefit Cost Ratio (BCR) for some of the LPTIP schemes in this report potentially represents low value for money because the BCR for transport projects is calculated using WebTAG, which has a bias towards private transport, e.g. the value of time of a motorist is higher than a public transport user. Therefore, the wider economic and strategic benefits (improving the quality of the bus passenger experience and encouraging travel by sustainable modes, like walking and cycling) has been taken account of in the appraisal of these schemes.

<u>Scheme</u>	<u>Scheme description</u>
<p>Bradford Interchange Carriageway Works</p> <p>Bradford</p>	<p>The Bradford Interchange carriageway is showing signs of deterioration and has been subject to a number of repairs over a number of years. This deterioration and constant repairs are causing disruption for passengers and bus operators and affecting the day to day operation of this key transport facility in the city centre.</p> <p>The scheme will involve resurfacing of the bus carriageways on a phased basis ensuring the facility remains operational and any disruption is kept to a minimum. The initial works will require structural surveys to be undertaken to determine the extent of repairs required. Once all the works have been completed future repair and maintenance costs will be minimised for around the next 10 to 15 years.</p> <p>The scheme is part of the Integrated Transport Block (ITB) programme submitted to the Combined Authority and approved at meeting of 25 April 2019 and was allocated a budget of £2 million.</p> <p><u>Impact</u></p> <p>This project is required to maintain an operational public transport asset and will allow the continued, safe operation of the Interchange. The repair and resurfacing of the carriageway is one part of a proposed programme to further improve Bradford Interchange.</p> <p><u>Decision sought</u></p> <p>That the Bradford Interchange Carriageway Works proceeds through decision point 2 and work commences on Activity 4 (full business case)</p> <p>Total value - £2 million</p> <p>Total value of Combined Authority funding - £2 million</p> <p>Funding recommendation sought - £461,400</p>

	A recommendation to the Combined Authority is sought as part of this report.
<p><u>Scheme</u></p> <p>Connecting Innovation Leeds City Region</p>	<p><u>Scheme description</u></p> <p>Connecting Innovation (CI) is proposing a broader approach to increase the innovation capacity of SMEs within the Leeds City Region. CI will focus more on inspiring SMEs that have a lower propensity to engage and supporting them through the complex eco system of innovation support. The project aims to increase the take of up of all innovation support and funding including Innovate UK, Catapult Centres, Knowledge Transfer Partnerships (KTPs), universities and private sector innovation and product development companies.</p> <p>The programme will comprise of 3 main work streams:</p> <ul style="list-style-type: none"> • Innovation Brokerage/Support • Innovation Voucher – Small Grant Scheme • Targeted Innovation Fund – Larger, targeted grants to SMEs in key sectors. <p>This scheme is to be funded through the Local Growth Fund</p> <p><u>Impact</u></p> <p>Full time equivalent employment increase in the region.</p> <p>A positive change in the innovation culture in the region with more SMEs engaging R&D.</p> <p>An increased uptake of other innovation support provision and funding (e.g. UK Funding of Knowledge Transfer Partnerships)</p> <p>More SMEs that successfully deliver R&D projects because of investment in innovation and project management techniques.</p> <p>Aligned to new inclusive growth grant criteria, all grant recipients will be asked to voluntarily commit to inclusive growth outcomes. This will be compulsory for all grants of over £25,000 value.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 2 and work commence on activity 5 (full business case plus costs)</p> <p>Total value - £4,057,771</p> <p>Total value of Combined Authority funding - £2,779,846</p> <p>Funding recommendation sought - £0.</p> <p>A recommendation to the Combined Authority is sought as part of this report.</p>
<p><u>Scheme</u></p> <p>Leeds Bus Station Gateway Leeds</p>	<p><u>Scheme description</u></p> <p>The scheme is part of the Leeds Public Transport Investment Programme and consists of a series of improvements to Leeds Bus Station. These include upgrading passenger facilities (new seating areas, self-service units and retail units), public realm and signage / wayfinding improvements to ensure the bus station remains accessible for all users and upgrades to the fabric of station building including the provision of photovoltaic solar panels to improve energy efficiency</p>

	<p>The scheme will deliver benefits to all bus station users and supports the delivery of Priority 3 (Clean Energy and Environmental Resilience) and Priority 4 (Infrastructure for Growth) of the Strategic Economic Plan.</p> <p>The scheme is funded by the Leeds Public Transport Investment Programme.</p> <p><u>Impact</u></p> <p>The scheme aims to improve the overall customer experience at Leeds Bus Station, making it more accessible and safer for all users and increase pedestrian footfall, which has the potential to generate new employment opportunities in the station.</p> <p>The scheme also aims to improve the environmental sustainability of the bus station by introducing photovoltaic (PV) cells on the roof to generate electricity and reduce carbon emissions.</p> <p>The scheme presents a benefit cost ratio (BCR) of 1.45:1 when taking account of these wider economic and environmental benefits.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 3 (outline business case) and work commences on activity 5 (full business case with finalised costs).</p> <p>Total value - £4.984 million</p> <p>Total value of Combined Authority funding - £4.984 million</p> <p>Funding recommendation sought - £350,000</p> <p>A recommendation to the Combined Authority is sought as part of this report.</p>
<p><u>Scheme</u></p> <p>A58 Beckett Street & York Street</p> <p>Leeds</p>	<p><u>Scheme description</u></p> <p>The scheme is one of five prioritised corridors in the LPTIP Bus Infrastructure Package and consists of a series of improvements along Beckett Street and York Street including new bus lanes, bus signal prioritisation, segregated cycle tracks, new pedestrian crossings, and widened footways, extended bus stops and waiting areas.</p> <p>The scheme will deliver benefits to bus users and those walking and cycling in the corridor, improving bus journey reliability and encouraging modal shift and supports the delivery of Priority 4 (Infrastructure for Growth) of the Strategic Economic Plan (SEP) by increasing connectivity, improving access to jobs and services and reducing carbon emissions.</p> <p>The scheme is funded by the Leeds Public Transport Investment Programme.</p> <p><u>Impact</u></p> <p>The scheme presents a benefit cost ratio (BCR) of 1.47:1 which represents Low Value for Money (VfM) when accounting for disbenefits to car users from the introduction of bus, cycle and pedestrian prioritisation measures. This is expected to increase when the impact of bus reliability benefits are further assessed</p> <p>However, it has the potential to deliver a reduction in bus journey times along Beckett Street and York Street, improving</p>

	<p>the bus passenger experience, improve network safety for all users as well as improve access to employment and training via public transport.</p> <p>The scheme aims to promote modal shift from car to bus, taking up to 55,000 car kilometres per annum off the road network following completion, helping to reduce levels of nitrogen oxides on a key transport corridor adjacent to residential areas and hospital.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 3 (Outline business case) and commence work on activity 4 (Full business case)</p> <p>Total scheme cost: £14.536 million</p> <p>Combined Authority contribution: £14.536 million</p> <p>Funding approval sought: £0</p> <p>A recommendation to the Combined Authority is sought as part of this report.</p>
<p>Bradford Shipley Route Improvement Bradford</p>	<p><u>Scheme description</u></p> <p>The Bradford-Shipley Route Improvement Scheme (BSRIS) will primarily deliver improvements at key junctions along the A6037 Canal Road corridor in Bradford to enhance the highway capacity and connectivity to/from Shipley town centre. The scheme will also improve accessibility to Frizinghall rail station, improve the urban environment at Bradford Beck, and improve the walking and cycling provision along the Manningham Lane corridor.</p> <p>The scheme is to be funded through the West Yorkshire plus Transport Fund (WY+TF).</p> <p><u>Impact</u></p> <p>The scheme is anticipated to reduce current and forecast congestion, improve journey time reliability for all modes, and widen the sustainable travel opportunities with enhanced cycling and walking infrastructure and connectivity to rail. The scheme will also deliver de-culverting works at Bradford Beck and improve the urban environment.</p> <p>The scheme will support economic growth by facilitating the delivery of the full suite of housing and employment sites identified in Bradford Council's Area Action Plan.</p> <p>The value for money assessment reflects a benefit cost ratio (BCR) of 13.16:1 judging the scheme as very high value for money when assessed against the Department for Transport's value for money criteria.</p> <p>The scheme supports delivery of inclusive growth by facilitating new housing and employment opportunities and a better quality of life, with better air quality, encouraging active mode travel (walking, cycling), improving rail accessibility, and enhancing the urban environment, specifically at Bradford Beck.</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 - £47.9 million</p>

	<p>Total value of Combined Authority funding - £47.9 million</p> <p>Funding recommendation sought - £2.382 million</p> <p>A decision by the Investment Committee using the delegated authority from the Combined Authority is sought as part of this report.</p>
<p>Infirmary Street Gateway Leeds</p>	<p><u>Scheme description</u></p> <p>The Infirmary Street Gateway forms a component project of the Leeds City Centre Package (LCCP), delivering the changes necessary to both Infirmary Street and Park Row to facilitate adaptation of bus routes in preparation for the City Square closure, which will be delivered after the Infirmary Street Gateway through a series of other LCCP projects.</p> <p>Infirmary Street, which is currently one-way eastbound, will become a two-way operation for buses and hackney carriages only. Park Row is to become a one-way south-bound operation for buses and hackney carriages only, with one running lane and the reallocation of bus bays. This will narrow the carriageway along Park Row, creating wider footways in areas with high pedestrian footfall and creating space for a segregated cycle facility on the northern side of the carriageway.</p> <p>The scheme is to be funded by the West Yorkshire plus Transport Fund (WY+TF).</p> <p><u>Impact</u></p> <p>Scheme delivery is anticipated to reduce bus journey times by improving journey reliability (complementing network improvements proposed through other schemes), enhance the quality of sustainable transport infrastructure (bus, pedestrian, cycling), and improve the public realm offer along a core city centre gateway. This will support increasing bus patronage and active travel, to in turn improve air quality and reduce car dominance in the city centre.</p> <p>The value for money assessment reflects a benefit cost ratio of 1.48:1 judging the scheme as low value for money against the Department for Transport's value for money criteria.</p> <p>The scheme however supports inclusive growth by complementing public transport network improvements in the city centre to enable better, more sustainable access to employment and education.</p> <p>Additionally, it supports a better quality of life by encouraging modal shift to bus and active travel (walking, cycling), and enhancing the urban environment, forecast to improve air quality and the attractiveness of the city centre environment.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 4 (full business case) and work commences on activity 5 full business case with costs.</p> <p>Total value - £8.9 million</p> <p>Total value of Combined Authority funding - £8.9 million</p> <p>Funding recommendation sought - £0</p>

	A recommendation to the Combined Authority is sought as part of this report.
<p><u>Scheme</u></p> <p>Wakefield South East Gateway – Rutland Mill</p> <p>Wakefield</p>	<p><u>Scheme description</u></p> <p>The Wakefield City Centre, South East Gateway scheme forms part of the Housing and Regeneration programme. The objectives of this programme are to deliver commercial floor space and homes in the Leeds City Region.</p> <p>The scope of the project is the restoration of historic buildings at Rutland Mills and creation of high quality public realm at the Waterfront to deliver a creative industries jobs hub through studio, office and learning space along with associated hotel, food and beverage offer</p> <p>This scheme is to be funded through the Local Growth Fund</p> <p><u>Impact</u></p> <p>The economic case has monetised the benefits that could result from the scheme and the resulting GVA demonstrates that the project could have a positive benefit cost ratio (BCR) of 4.9:1.</p> <p>The Rutland Mill development will deliver 7,000 square metres in commercial floor space and enable 219 jobs.</p> <p>The scheme’s wider social benefits include new local employment opportunities and attracting footfall to Wakefield.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 4 and work commences on activity 5 full business with finalised costs.</p> <p>Total value £20.57 million</p> <p>Total value of Combined Authority funding £2.89 million</p> <p>Funding recommendation sought - £0</p> <p>A decision by the Investment Committee using the delegated authority from the Combined Authority is sought as part of this report.</p>
<p><u>Scheme</u></p> <p>A660 Holt Lane</p> <p>Leeds</p>	<p><u>Scheme description</u></p> <p>The scheme is the first of a series of proposed improvements to the A660 corridor coming forward through LPTIP. It involves improvements to the junction of the A660 Otley Road and Holt Lane in Adel, north of Lawnswood roundabout.</p> <p>The current priority junction will be replaced by a signalised junction to enable bus priority, controlled pedestrian crossings and a new bus stop lay-by on the southbound carriageway to reduce delays to general traffic.</p> <p>The scheme is funded by the Leeds Public Transport Investment Programme.</p> <p><u>Impact</u></p> <p>The scheme will deliver benefits to bus users through improving journey times and reliability.</p> <p>The scheme supports the delivery of Priority 4 (Infrastructure for Growth) of the Strategic Economic Plan (SEP), increasing connectivity, improving access to jobs and services and reducing carbon emissions.</p>

	<p>The scheme aims to promote modal shift from car to bus and has a benefit cost ratio (BCR) of 1.19:1 based on benefits to public transport users, improving bus journey times and reliability. It will potentially remove up to 7,300 car kilometres per annum off the road network following completion, helping to reduce levels of nitrogen oxides on a key arterial road.</p> <p>Decision sought</p> <p>Approval to proceed through decision point 5 (full business case with finalised costs)</p> <p>Total value - £1.150 million</p> <p>Total value of Combined Authority funding - £1.150 million</p> <p>Funding recommendation sought - £1.150 million</p> <p>A recommendation to the Combined Authority is sought as part of this report.</p>
<p><u>Scheme</u></p> <p>Leeds PIPES District Heating Network</p> <p>Leeds</p>	<p><u>Scheme description</u></p> <p>The scheme focusses on construction of a 4.5km district heating network, using underground super insulated steel pipes, to deliver heat from the Recycling and Energy Recovery Facility (RERF) in the Aire Valley to businesses and residential properties in Leeds city centre.</p> <p>Impact</p> <p>The scheme is in delivery stage and is supplying heat to Leeds Playhouse and several council owned flats. The scheme aims at tackling fuel poverty by reducing fuel bills by 11-30%, reducing CO2 emissions and stimulate additional investment in district heating networks.</p> <p>Decision sought</p> <p>Activity 6 change request to retrospectively extend the grant agreement from June 2019 to March 2020 and amend the drawdown conditions, on the basis that one condition has been met in full and the second condition has been met in part.</p> <p>Total value – £4 million</p> <p>Total value of Combined Authority funding – £4 million</p> <p>Funding recommendation sought - £0</p> <p>A decision by the Investment Committee using the delegated authority from the Combined Authority is sought as part of this report.</p>

- 3.3 Since the Investment Committee’s meeting on 7th November 2019, the following decision points and change requests have been assessed in line with the Combined Authority’s assurance process and approved through the agreed delegation to the Combined Authority’s Managing Director. Under the delegation a total expenditure of £22.756 million has been approved.

<p><u>Scheme</u></p> <p>Headrow City Centre Gateway</p> <p>Leeds</p>	<p><u>Scheme description</u></p> <p>Headrow City Centre Gateway scheme forms part of the Leeds Public Transport Investment Programme. The scheme delivers a series of bus infrastructure, public realm, pedestrian and cycling infrastructure improvements, to enhance a major</p>
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	<p>Gateway to Leeds city centre, making the city centre more attractive to visitors, residents, employees and prospective investors. This will include changes to highway geometry, bus re-routing, new general traffic restrictions, footway widening, removal or relocation of on street parking (including loading bays and taxi provision), provision of new green infrastructure, and new protected cycle lanes.</p> <p><u>Decision</u></p> <p>The Managing Director approved the decision point 5 on 25 October 2019 and that work can commence on delivery point 6. Approval to the Combined Authority's contribution of £22.456 million to be funded from the Leeds Public Transport Investment Programme (LPTIP), is given. The total project value is £22.756 million.</p>
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4 Information

- 4.1 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.

Projects in stage 1: Eligibility



- 4.2 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.

Project Title	Bradford Interchange Carriageway Works
Stage	1 (Eligibility)
Decision Point	2 (Case paper)

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

- 4.3 The scheme will be funded from the Local Transport Plan – Integrated Transport Block. This is a £26.9 million fund, covering all West Yorkshire partner councils. The Integrated Transport Block (ITB) provides funding support to local authorities for transport capital improvement schemes worth less than £5 million.
- 4.4 Areas of carriageway are showing signs of deterioration and have been subject to a number of repairs over a number of years. The cost of repairs will become uneconomical when compared to a complete re-surfacing of the affected areas. These works are therefore needed for the continued uninterrupted operation for all users of Bradford Interchange.
- 4.5 The scheme will resurface the carriageway to the suspended deck. This will likely ensure that future maintenance costs will be significantly reduced for a period of 10 to 15 years to the areas resurfaced.

- 4.6 The scheme has been initially allocated a budget of £2 million from the Local Transport Plan (LTP) – Integrated Transport Block. This allocation was included as part of the Integrated Transport Block (ITB) programme submitted to the Combined Authority and approved at meeting of 25 April 2019.
- 4.7 This project is required to maintain a public asset and allow the continued, safe operation of a public transport facility. The repair and refurbishment of the carriageway is required before further projects to improve Bradford Interchange being promoted by City of Bradford Metropolitan District Council can be delivered.
- 4.8 A summary of the scheme’s business case and location map is included in **Appendix 2**.

Outputs, benefits and inclusive growth implications

- 4.9 Future maintenance costs will be significantly reduced for a period of 10 to 15 years to the areas resurfaced. Currently ad hoc repair costs are approximately £40,000 per annum and are expected to increase to £215,000 if the repairs are not undertaken.
- 4.10 The repair and resurfacing of the carriageway is one part of a proposed programme to further improve Bradford Interchange and these works will ensure structural integrity of the facility to allow the future enhancement projects to be delivered.

Clean growth / climate change implications

- 4.11 There are no direct clean growth/climate change implications related to this scheme as this is focussed on improvement of an existing facility and delivering VfM by avoiding future revenue costs.

Risks

- 4.12 There is a risk that structural surveys may discover a far greater extent of repair works than anticipated. Mitigation is that surveys are already being undertaken to determine the works required.
- 4.13 Disruption to users of Bradford Interchange. Mitigation is that the bus station will continue to operate during the works which will be delivered in phases. The phasing of the works will be planned so as to suit the requirements of the bus station management and users of Bradford Interchange.

Costs

- 4.14 The total scheme cost is £2 million of which the cost to the Combined Authority is £2 million to be funded from the Local Transport Plan - Integrated Transport Block.
- 4.15 Development costs of up to £461,400 are sought to do the structural surveys and progress the scheme to DP5. These will clarify the extent of the work required and the potential impact on total budget.

- 4.16 The Combined Authority will need to enter into a Funding Agreement with Bradford Council for expenditure of up to £300,000 from the Local Transport Plan Integrated Transport Block. The remainder of the development costs are for Combined Authority costs, including project management fees.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
2 (Case paper)	Recommendation: Investment Committee Decision: Combined Authority	09/01/2020
4 (Full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	27/05/2020
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	14/07/2020
6 (Delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	20/07/2021
7 (Review and close)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	20/07/2022

Other Key Timescales

- 4.17 Construction to commence in September 2020 and complete in May 2021.

Assurance Tolerances

Assurance tolerances
Any increase to Combined Authority costs above 10% will require further approval from the Combined Authority Timescale for scheme completion to remain within 3 months of the timescales set out in this report

Project responsibilities

Senior Responsible Officer	David Dufton – Combined Authority
Project Manager	Nick Fairchild – Combined Authority

Appraisal summary

- 4.18 The Bradford Interchange Carriageway Works is in a position to progress through decision point 2.
- 4.19 The scheme has an indicative funding allocation of £2 million which is to be provided from the Integrated Transport Block programme. It must be noted that further survey work is required at Bradford Interchange to understand the extent of work which is required as part of this scheme. If further funding is required, this will need to be presented at the full business case stage.
- 4.20 In terms of value for money it is appropriate to spend capital from the Integrated Transport Block rather than continue with increasing revenue maintenance costs to maintain the Bus Interchange.

Recommendations

- 4.21 The Investment Committee recommends to the Combined Authority:
- (i) That the Bradford Interchange Carriageway Works proceeds through decision point 2 and work commences on Activity 4 (full business case)
 - (ii) An indicative approval to the total project value of £2 million is given from the Local Transport Plan - Integrated Transport Block with full approval to spend being granted once the scheme has progressed through the Assurance Process to Decision Point 5.
 - (iii) Development costs of £461,400 are approved in order to progress the scheme to Decision Point 5.
 - (iv) That the Combined Authority enter into a Funding Agreement with City of Bradford Metropolitan District Council for expenditure up to £300,000.
 - (v) That future approvals are made in accordance with the assurance pathway and approval route outlined in this report including at decision point 6 through a delegation to the 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	ERDF – Connecting Innovation
Stage	1 (Eligibility)
Decision Point	2 (Case paper)

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

- 4.22 Innovation is reflected in the Industrial Strategy as one of the five ‘foundations’ that support the Government’s vision for a transformed economy. It is a particular challenge in the City Region where rates of innovation are lower than in other areas of the country.
- 4.23 Business R&D in the region is very low - proportionally six times lower than the East of England and four times lower than the South East despite slightly higher than average Higher Education Institution (HEI) spending on R&D. There is also low take up of Innovate UK opportunities (and other innovation support) by Leeds City Region businesses.
- 4.24 The Strategic Economic Plan (SEP) identifies headline initiatives under each of the strategic priorities. The first headline initiative under ‘Growing Businesses’ is to ‘Implement coordinated and wide-ranging action to radically increase innovation.’
- 4.25 The SEP explains that innovation is critical to future growth and prosperity. This includes R&D, links to higher education institutions and a creative culture that drives better products and services.
- 4.26 The Combined Authority is currently delivering the ERDF funded Access Innovation programme which has focussed largely on encouraging collaboration with research intensive organisations (typically universities or other publicly funded bodies). Access Innovation is on track to:
- Support 285 business with either grant funding or innovation capacity support.
 - Fund projects worth a total of £4.6 million
 - Bring in around £2,745,500 of match funding from SME investment in innovation projects.
 - Deliver associated innovation and job creation outputs.

- 4.27 The programme will finish at the end of June 2020. In May 2019, a full application for ERDF funding for a successor programme, Connecting Innovation (CI), was submitted to the Ministry for Housing, Communities and Local Government. Detailed feedback has not yet been received but is expected in late November 2019. Connecting Innovation is due to begin in April 2020 providing continuity to the current programme.
- 4.28 Connecting Innovation is proposing a broader approach to increase the innovation capacity of Small and Medium sized Enterprises (SMEs) within the Leeds City Region. CI will focus more on inspiring SMEs that have a lower propensity to engage and supporting them through the complex eco system of innovation support. The project aims to increase the take up of all innovation support and funding including Innovate UK, Catapult Centres, Knowledge Transfer Partnerships (KTPs), universities and private sector innovation and product development companies.
- 4.29 There are three key components of the Connecting Innovation programme:
- **Innovation Brokerage/Support:** A team of four Innovation Growth Managers will support SMEs to develop their innovation capacity and capabilities, access specialist expertise, apply for funding and other dedicated support, and make connections into universities including opportunities around KTPs, graduate placements, incubation space, etc. 110 SMEs will receive at least 12 hours support from the team of Innovation Growth Managers who will provide a mix of the following:
 - **Innovation Vouchers:** Feedback from businesses, research organisations, and other innovation funding organisations suggests that many SMEs do not have the capacity, maturity or knowledge to successfully apply for larger innovation grants (e.g. through Innovate UK). Connecting Innovation will provide a small grant scheme (funding of up to 50% of innovation project costs of up to £25,000) to assist SMEs to undertake collaborative R&D projects. This will be targeted at SMEs who are either new to collaborative R&D, or that need earlier stage research in order to move their project on to be able to access further investment/funding. The project expects to deliver a minimum of 39 small grants.
 - **Targeted Innovation Fund:** Larger grants (funding up to 50% of innovation project costs of up to £100,000) to innovative SMEs are aligned with the sectors identified within the Strategic Economic Plan (Digital and Creative, Low Carbon and Environmental, Health and Life Sciences and Innovative Manufacturing). These may be revised subject to any new sector priorities identified through the process of developing the Local Industrial Strategy. The project expects to provide 21 large grants to SMEs that are able to demonstrate strong strategic alignment, deliverability, technical innovation and impact.
- 4.30 A summary of the scheme's business case is included in **Appendix 3**.

Clean Growth / Climate Change Implications

- 4.31 Experience of Access Innovation suggests that many funded projects involve innovation that positively contribute towards reducing energy consumption. To prioritise these type of projects, Low Carbon has been included as one of the priority sectors for the Targeted Innovation Fund. The programme will also refer into the proposed REF2 programme, particularly in relation to innovation related to circular economy business models.

Outputs, benefits and inclusive growth implications

- 4.32 The forecast outputs from Connecting Innovation are as follows:
- The project will support (in terms of claimable outputs) over 160 SMEs with either grant support or 12 hours of non-financial innovation capacity support.
 - The project will have the added benefit of benefiting approx. 250 SMEs as many will be helped through less than 12 hours of support and through brokering support from other innovation services.
 - 110 SMEs will receive at least 12 hours support from the team of Innovation Growth Managers
 - 60 SMEs will receive grant support towards collaborative innovation projects securing £1.27 million of SME match funding.
 - Creation of at least 35 new jobs
 - 50 SMEs delivering new to the firm, or new to the market, products or processes.

Risks

- 4.33 **Risk** - Failure to deliver project outputs and spend as profiled could result in underspend and/or clawback of funding – **Mitigation** – Strong project management on the part of the Programme and Project Manager combined with strategic review and oversight from the Project Steering Group will identify and rectify areas of under-performance early. Programme outputs and spend profiles have been carefully profiled based on the practical experience of delivering Access Innovation.
- 4.34 **Risk** – Unwillingness of Small Medium enterprises to invest in innovation in an uncertain economic climate surround the UK's withdrawal from the EU resulting in lower than expected demand and therefore targets not being met. **Mitigation** – Investment in marketing and communications resource will provide positive messaging about the benefits of innovation in an uncertain economic climate.

Costs

- 4.35 £750,961 will be funded through Access to Capital Grants element of the Local Growth Fund, £2,028,885 from the European Regional Development Fund, £1,277,925 match funding from Small Medium Enterprises. The total project value is £4,057,771.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
2 (Case paper)	Recommendation: Investment Committee Decision: Combined Authority	09/01/2020
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	31/01/2020

Other Key Timescales

- 4.36 Start date of Quarter 2 2020 and end date of Quarter 1 2022.

Assurance Tolerances

Assurance tolerances
Any increase to Combined Authority costs above 20% will require further approval from the Combined Authority
If the programme is forecast to slip beyond its original approval but is less than 6 months, then this can be approved by the Managing Director and will not require further approvals from the Combined Authority. If the programme is forecast to slip by more than 6 months, then this will require further approvals by the Combined Authority.

Project responsibilities

Senior Responsible Officer	Vincent McCabe – Head of Business Support
Project Manager	Patrick Robertson – Service Manager
Combined Authority case officer	Paul Coy

Appraisal summary

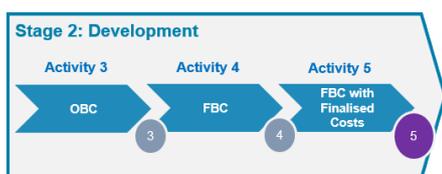
- 4.37 The scheme has a strong strategic case as it clearly addresses the problem of lowest innovation rates in the Leeds City Region.
- 4.38 There is a good fit with the Combined Authority's adopted policy, and the scheme is expected to provide contribution to a number of SEP Priorities.

- 4.39 The primary benefits of the scheme are to increase the number of businesses innovating to bring new products / service to market in the region, increase productivity, investment and jobs creation in the region. Learning from previous experiences assist in clear delivery mechanism for this scheme.
- 4.40 The proposed model is 50% of ERDF funding, approximately £2 million, with £750,000 from the Access to Capital grants. The remaining £1.25 million is from small, medium enterprise match contribution, which demonstrates good value for money (Connecting Innovation 47%) in comparison to the previous match for Access Innovation (31%).

Recommendations

- 4.41 The Investment Committee recommend to the Combined Authority:
- (i) That in respect of the ERDF Connecting Innovation project proceeds through decision point 2 and work commences on Activity 5 (full business case plus)
 - (ii) An indicative approval of £2,779,846, comprised of £750,961 from the Access to Capital Grants element of the Local Growth Fund and £2,028,885 from the European Regional Development Fund. The total project costs are £4,057,771 million, with Small Medium Enterprise match funding of £1,277,925 million.
 - (iii) That future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

Projects in Stage 2: Development



- 4.42 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.

Project Title	Leeds Bus Station Gateway
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

- 4.43 This scheme forms part of the Leeds Public Transport Investment Programme, a £173.5 million programme using devolved Department for Transport funding supplemented with contributions from Leeds City Council and the Combined Authority. This programme aims to support economic growth by unlocking transport constraints, improve public transport journey times and usage and improve health outcomes by reducing overall transport emissions.
- 4.44 The improvements to Leeds Bus Station follow a wider assessment to understand the role and function of Leeds Bus Station, within Leeds city centre. This study considered the longer term ambition and opportunity for the bus station, which is the largest in the city.
- 4.45 The emerging conclusion is to retain a bus station facility in Leeds city centre and keep the bus station on the existing site. The key factors in this are:
- The east side of Leeds city centre is growing with Victoria Gate, the markets and Quarry Hill. It is likely that Quarry Hill will have in excess of 2,000 students, many are likely to use the bus station.

- The existing location is the only site in the City Centre which has the capacity to provide all facilities in one place making it an efficient operation
- 4.46 These include upgrading passenger facilities (new seating areas, self-service units and retail units), public realm and signage / wayfinding improvements to ensure the bus station remains accessible for all users, upgrades to the fabric of station building including the provision of photovoltaic solar panels to improve energy efficiency and improvements to public realm.
- 4.47 The scheme will bring improvements to the pedestrian environment around the bus station, improved customer experience, reduced carbon emissions, improvement in air quality and a reduction in electricity spend by the Combined Authority by using energy efficient resources.
- 4.48 This scheme fits with Priority 3: Clean Energy and Environmental Resilience and Priority 4: Infrastructure for Growth of the Leeds City Region Strategic Economic Plan. The scheme will be managed by the Combined Authority.
- 4.49 A summary of the scheme's business case and location map is included in **Appendix 4**.

Clean Growth / Climate Change Implications

- 4.50 The scheme aims to improve the environmental sustainability of the bus station building, contributing towards carbon reduction, and promote modal shift from car to public transport by enhancing the bus passenger experience.
- 4.51 Photo Voltaic (PV) systems generating electricity to make the bus station self-sufficient for electricity and reduce spend on electricity by the Combined Authority. This also contributes towards making the facility carbon neutral and making a positive contribution to climate change targets by a 45% decrease in carbon emissions from the bus station.

Outputs, benefits and inclusive growth implications

- 4.52 The outputs, benefits and inclusive growth implications include:
- Upgrade to the bus station facilities including enhanced passenger waiting areas to improve the overall customer experience by 10% and increase pedestrian footfall through the bus station by 10%.
 - Improvements to the bus station to ensure it remains accessible for all customers to improve the customer experience and safety for pedestrians around the station.
 - Improved signage and wayfinding for all users for better integration between the bus station and surrounding area.
- 4.53 The scheme presents a benefit cost ration (BCR) of 1.09:1 which represents low Value for Money (VfM). The adjusted BCR, which takes into account wider economic benefits rises to 1.45:1, which is broadly similar to the forecast benefits of bus interchange refurbishment scheme's elsewhere in the country

where the focus is on improving the quality of the bus passenger experience to encourage travel by sustainable modes.

Risks

4.54 The key risks and associated mitigation to this scheme are:

- Delays to scheme delivery before DfT funding deadline of 31st March 2021. This will be mitigated by assessing the potential for scheduling works outside normal working hours in consultation with effected parties
- Structural damage to the existing lightweight roof structure from the installation of photovoltaic (PV) cells. This will be mitigated through detailed surveys and a limit to PV surface area.
- Works may be required to be undertaken outside of normal working hours incurring additional costs and schedule impact. This will be mitigated through negotiations with all parties to agree acceptable working hours.
- The removal of the existing floor tiling exposes floor slab damage that requires significant report. This will be mitigated through undertaking early trial samples to determine the state of the sub-floor and identify the extent of the works required.

Costs

4.55 The total cost of the scheme is £4.984 million. The Combined Authority will fund 100% of the costs from the devolved DfT Leeds Public Transport Investment Programme.

4.56 At this stage the scheme promoter is seeking to draw down £350,000 of this indicative allocation to enable progression to decision point 5 (full business case with costs) including detailed design, the development of construction tender and the procurement of construction contractor. This will be released under the existing LPTIP funding agreement between the Combined Authority and the scheme promoter, Leeds City Council.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
3 (Outline business case)	Recommendation: Investment Committee Decision: Combined Authority	09/01/2020
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	27/03/2020

Other Key Timescales

- 4.57 Scheme construction commences December 2020, scheme completion March 2021

Assurance Tolerances

Assurance tolerances
An increase in Combined Authority costs of over 10% will require further approval from the Investment Committee
Timescale for scheme completion to remain within 3 months of the timescale set out in this report
A reduction in forecast benefits of more than 20% will require further approval from the Investment committee

Project responsibilities

Senior Responsible Officer	David Pearson
Project Manager	Helen Ellerton
Combined Authority case officer	Ian McNichol

Appraisal summary

- 4.58 The strategic benefits of this scheme strongly contribute towards the overall Leeds Public Transport Investment Programme (LPTIP) initiatives and the development of the bus station contributes to the achievement of the Leeds City Region Strategic Economic Plan as the scheme aims to deliver a quality places and environments as part of the Good Growth agenda.
- 4.59 The economic case takes into account a range of different options and the value for money position (the preferred option has a BCR of 1.09:1 and an adjusted BCR, which takes into account wider economic benefits of 1.45:1), will be further refined as the scheme progresses through the assurance process.
- 4.60 The scheme will be managed under the established governance and project management arrangements for LPTIP. The delivery programme for this scheme appears reasonable.

Recommendations

- 4.61 That Investment Committee recommends to the Combined Authority that:
- (i) The Leeds Public Transport Improvement Programme Leeds Bus Station Gateway project proceeds through decision point 3 (outline business case) and work commences on activity 5 (full business case with finalised costs)

- (ii) An indicative approval to the total project value of £4.984 million is given from the Leeds Public Transport Investment Programme 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) Development costs of £350,000 are approved in order to progress the scheme to Decision Point 5.
- (iv) The Combined Authority enters into a variation to the Funding Agreement with Leeds City Council for release of expenditure of £350,000 from the LPTIP Fund for further project development.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

Project Title	A58 Beckett Street & York Street
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

- 4.62 The A58 Beckett Street & York Street scheme forms part of the Leeds Public Transport Investment Programme (LPTIP), a £183.5 million programme using devolved Department for Transport funding supplemented with contributions from Leeds City Council and the Combined Authority. This programme aims to support economic growth by unlocking transport constraints, improve public transport journey times and usage and improve health outcomes by reducing overall transport emissions.
- 4.63 The scheme is one of five prioritised corridors in the LPTIP Bus Infrastructure Package and consists of a series of improvements along Beckett Street and York Street including new bus lanes, bus signal prioritisation, segregated cycle tracks, new pedestrian crossings, and widened footways, extended bus stops and waiting areas.
- 4.64 The scheme will deliver benefits to bus users and those walking and cycling in the corridor, improving bus journey reliability and encouraging modal shift and supports the delivery of Priority 4 (Infrastructure for Growth) of the Strategic Economic Plan (SEP) by increasing connectivity, improving access to jobs and services and reducing carbon emissions.
- 4.65 Leeds City Council are the scheme promoter with WSP as development partner and BAM appointed as the delivery partner.
- 4.66 A summary of the scheme's business case and location map is included in **Appendix 5**.

Clean Growth / Climate Change Implications

- 4.67 The scheme aims to promote modal shift from car to bus, taking up to 55,000 car kilometres per annum off the road network following completion, helping to reduce levels of nitrogen oxides on a key transport corridor adjacent to

residential areas and hospital. Further details of the clean growth and climate change implications of the scheme will be brought forward as the scheme progresses through the assurance process.

Outputs, benefits and inclusive growth implications

- 4.68 The outputs, benefits and inclusive growth implications of the scheme will include
- A 20% reduction in bus journey times along Beckett Street and York Street on opening
 - A reduction in journey time variability and improvements to the bus passenger experience
 - Improved network safety for all users and improved access to employment and training via public transport
- 4.69 The scheme presents a benefit cost ratio (BCR) of 1.47:1 which represents Low Value for Money (VfM) when accounting for disbenefits to car users from the introduction of bus, cycle and pedestrian prioritisation measures

Risks

- 4.70 The key risks to the delivery of the scheme and associated mitigation measures are: -
- Scheme expenditure extends beyond the DfT LPTIP funding deadline of 31st March 2021 – mitigated by further programme refinements and ongoing discussions with DfT
 - Refining scope regarding cycling provision leads to scheme cost increase – mitigated by additional funding from the scheme promoter
 - Delays linked to statutory service diversions – mitigating measures include designing-out requirements for diversions and regular liaison with suppliers
 - Risk of above expected levels of disruption to road network during construction – mitigating measures include effective communication with road users and monitoring of noise and pollution levels given the proximity of residential areas and hospital

Costs

- 4.71 The total cost of the scheme is £14.536 million. The Combined Authority will fund 100% of this cost from the devolved DfT Leeds Public transport Investment Programme.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
3 (Outline business case)	Recommendation: Investment Committee Decision: Combined Authority	09/01/2020
4 (Full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	24/04/2020
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	10/07/2020

Other Key Timescales

- 4.72 Scheme construction commences July 2020 and scheme completion March 2021.

Assurance Tolerances

Assurance tolerances
An increase in Combined Authority costs of over 10% will require further approval from the Investment Committee
Timescale for scheme completion to remain within 3 months of the timescale set out in this report
A reduction in forecast benefits of more than 20% will require further approval from the Investment committee

Project responsibilities

Senior Responsible Officer	Gary Bartlett, Leeds City Council
Project Manager	Robert Mason, Leeds City Council
Combined Authority case officer	Ian McNichol

Appraisal summary

- 4.73 The scheme has a strong strategic case as a priority scheme in the LPTIP Bus Infrastructure Package which aims to address congestion and poor journey time reliability and the need to support modal shift on key routes into the city centre.
- 4.74 The economic case for the scheme takes account of a range of different options and the value for money position (captured by the preferred scheme

BCR of 1.47:1) will be further refined as detailed scheme designs come forward at the next stage of the assurance.

- 4.75 The scheme is part of the established governance, programme and project management arrangements for LPTIP. The approach to risk and mitigation is appropriate to the scale and complexity of the scheme and the overall delivery programme appears reasonable.

Recommendations

- 4.76 The Investment Committee recommends to the Combined Authority that:
- (i) The A58 Beckett Street and York Street proceeds through decision point 3 (Outline business case) and work commences on activity 4 (Full business case)
 - (ii) An indicative approval to the total project value of £14.536 million is given from the Leeds Public Transport Investment Programme fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (FBC with finalised costs).
 - (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

Project Title	Bradford Shipley Route Improvement
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

- 4.77 The Bradford-Shipley Route Improvement Scheme (BSRIS) is to primarily deliver improvements at key junctions along the A6037 Canal Road corridor to enhance the highway capacity and connectivity to/from Bradford to neighbouring towns such as Shipley, and in doing so encourage traffic reassignment currently passing through the Manningham Lane corridor on to the strategic Canal Road corridor.
- 4.78 The scheme is to be delivered through the West Yorkshire plus Transport Fund (WY+TF), a £1 billion programme designed to deliver economic growth to the Leeds City Region and support the Strategic Economic Plan (SEP) through investment in strategic transport projects across West Yorkshire.
- 4.79 The main scheme at Canal Road starts at the junction of the A650 Canal Road / A6181 Hamm Strasse and ends at the junction of the A6038 Otley Road / A657 (Fox Corner) - a total route length of approximately 4.6km and will comprise of 2 lanes northbound and 2 lanes southbound. The proposed interventions on this route include traffic signal upgrades, new signalled controlled junctions, road widening / merging, changes to traffic movement and restrictions, a segregated cycle way, and the de-culverting and flood risk management works at Bradford Beck.
- 4.80 The proposed interventions to the Manningham Lane corridor will include traffic signal upgrades, junction improvement, and changes to the pedestrian crossing facilities.
- 4.81 As a result of interventions to Canal Road, it is anticipated to directly support better journey times for all modes on this corridor, improve accessibility to Frizinghall rail station and neighbouring towns (primarily Shipley), encourage uptake of cycling through delivery of a segregated cycle way, and improve the urban environment at Bradford Beck. The highway capacity enhancements will also facilitate the delivery of strategic employment and housing sites identified

along the corridor through Bradford Council's Area Action Plan (forecast to create up to 3200 new dwellings by 2030) by being better able to accommodate forecast traffic growth.

- 4.82 The introduction of improvements to the Canal Road corridor will enable the parallel Manningham Lane to become a sustainable transport route, supporting better bus journey times and improving bus journey reliability, as well as improving the walking provision with better crossing facilities.
- 4.83 A summary of the scheme's business case and location map is included in **Appendix 6**.

Clean Growth / Climate Change Implications

- 4.84 The scheme aim is to reduce congestion on this corridor and therefore reduce emissions and also to support walking and cycling.

4.85 Outputs, benefits and inclusive growth implications

The scheme outputs and benefits include:

- Reduce congestion on the A6037 Canal Road corridor for all modes by 8% (buses by 12%) by 2030.
- Improve journey time reliability for bus services along the A6037 Canal Road with a 7% increase in bus frequency by 2030.
- Support a more sustainable transport network, anticipated to increase bus and rail patronage as well as cyclists along the corridor by 2030.
- Facilitate the housing and employment developments along the Bradford-ShIPLEY route, forecast to create over 3,200 new dwellings, of which 640 within 5 years of scheme opening.
- To improve air quality by reducing levels of particulate matter such as Nitrogen Oxide within 5 years of scheme opening.
- The value for money assessment reflects a benefit cost ratio (BCR) of 13.16:1, judging the scheme as very high value for money when assessed against the Department for Transport's value for money criteria. It is acknowledged this is based on using a limited traffic forecasting model, with the promoter to re-run modelling appraisal using the Bradford Transport Model once ready for use as part of full business case development. It is not anticipated to impact the scheme's value for money category, however a reduction to the BCR would be expected
- The scheme will support inclusive growth by facilitating new housing and employment opportunities and support a better quality of life by reducing congestion levels to improve journey times and air quality, encourage active mode travel (walking, cycling) and improve rail accessibility, and improve the urban environment, specifically at Bradford Beck.

Risks

4.86 The scheme risks include:

- Detailed design cost estimates from utility companies give rise to planning or phasing issues impacting on scheme costs and delay to the programme. To be mitigated through early and continuing engagement in the planning process with utility companies.
- Ground contamination exceeds allowance impacting on scheme costs and the delivery programme. To be mitigated through development of a waste management strategy in accordance with regulations.
- Securing approval of new and amended Traffic Regulation Orders. To be mitigated through the scheme design minimising impact on parking and traffic flow.
- Land acquisition with risk of Compulsory Purchase Order process. To be mitigated through early engagement with landowners, and the inclusion of CPO risk costs within the risk budget.

Costs

4.87 The project costs can be summarised as:

- The scheme is being designed to a total scheme cost of £47.9 million.
- The scheme is to be wholly funded through the West Yorkshire plus Transport Fund (WY+TF).
- The scheme has previously secured development funding of £1.597 million for OBC development. Further approval of £2.382 million development costs is now requested in order to develop an FBC and for land negotiations, taking total approval to £3.979 million.
- The Combined Authority to enter into an addendum to the existing funding agreement with Bradford Council for total expenditure of up to £3.979 million from the WY+TF.
- The promoter has highlighted land acquisition costs of up to £4.65 million, to be sought once cost certainty and land purchase negotiations are reasonably progressed during full business case development.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
3 (Outline business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Investment Committee	04/12/2019
4 (Full business case)	Recommendation: Combined Authority's Programme Appraisal Team	31/03/2022

	Decision: Combined Authority's Managing Director	
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	30/09/2022

Other Key Timescales

- 4.88 Land acquisition is forecast to complete by December 2021.
- 4.89 Construction commence is forecast for September 2022 with practical completion forecast for April 2025.

Assurance Tolerances

Assurance tolerances
An increase in Combined Authority costs of over 10% will require further approval from the Investment Committee
That the programme remains within 6 months of timescales set out in this report.

Project responsibilities

Senior Responsible Officer	Richard Gelder
Project Manager	James Williams
Combined Authority case officer	Asif Abed

Appraisal summary

- 4.90 The Bradford-Shipley Route Improvement Scheme predominantly reflects a highway capacity enhancement scheme along the Canal Road corridor, however within the scope of the overarching proposal, support for local and regional public transport strategies and policies can be acknowledged. For instance, reducing congestion levels will support better air quality, whilst inclusion of a segregated cycle way and improving connectivity to rail will encourage uptake of alternative modes of travel for full or partial commuter trips. Also, works to Canal Road will support the Manningham Lane corridor to become a more sustainable travel route.
- 4.91 The scheme also highlights support to the Leeds City Region economic growth ambitions by facilitating the development of strategic employment and housing sites identified along Canal Road.
- 4.92 The value for money assessment at this stage is to be considered indicative given the traffic forecast appraisal will need to be re-run using the more robust and appropriate Bradford Transport Model, expected to be ready in 2020. This could influence the scheme design put forward at full business case and

subsequently the benefit assumptions currently forecast. It is however anticipated that although the benefit cost ratio (BCR) could decrease, the very high value for money classification as per the Department for Transport's value for money criteria will be maintained.

Recommendations

- 4.93 The Investment Committee using the delegated authority from the Combined Authority Board approves:
- (i) The Bradford-Shipley Route Improvement 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 £47.9 million is given, to be funded 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) Approval of further development costs of £2.382 million in order to progress the scheme to Decision Point 5, taking the total approval to £3.979 million.
 - (iv) The Combined Authority enters into an addendum to the existing funding agreement with Bradford Council for additional expenditure of £2.382 million, taking the total approval to £3.979 million.
 - (v) Future approvals are made in accordance with the Assurance pathway and Approval route outlined in this report including at decision point 4 and 5 through a delegation to the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

Project Title	LCCP Infirmary Street
Stage	2 (Development)
Decision Point	4 (Full 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

- 4.94 The Infirmary Street scheme is to be delivered through the Leeds City Centre Package (LCCP), which brings together a set of related projects in to one programme. This includes the proposed expanded public space at City Square, major junction and inner ring road improvements at Armley Gyratory, and highway alterations to the Southbank to support the Southbank Regeneration Framework. The programme is forecast to cost £185 million, to which a £66.8 million funding contribution has been secured through the West Yorkshire plus Transport Fund.
- 4.95 The scheme was initially presented as part of the LPTIP programme which secured programme approval (decision point 2) at the Combined Authority Board of June 2017. However, as part of a wider review of the LPTIP programme deliverability and affordability, Leeds City Council have requested that the scheme to be funded through the Leeds City Centre Package, which as alluded to above, is part funded by the West Yorkshire plus Transport Fund (WY+TF).
- 4.96 Infirmary Street, which is currently one-way eastbound, will become a two-way operation for buses and hackney carriages only. Park Row is to become a one-way south-bound operation for buses and hackney carriages only, with one running lane and the reallocation of bus bays. This will narrow the carriageway along Park Row, creating wider footways in areas with high pedestrian footfall and creating space for a segregated cycle facility on the northern side of the carriageway.
- 4.97 The changes to both Infirmary Street and Park Row are to facilitate adaptation of bus routes in preparation for the City Square closure and interface with the bus re-routing network to be delivered through the LPTIP Headrow Gateway scheme.

- 4.98 As a result of scheme delivery, it is anticipated to reduce bus journey times by improving journey reliability (complementing network improvements proposed through other schemes), enhance the quality of sustainable transport infrastructure (bus, pedestrian, cycling), and improve the public realm offer along a core city centre gateway. This will support increasing bus patronage and active travel, to in turn improve air quality and reduce car dominance in the city centre, supporting several local and regional public transport strategies and policies.
- 4.99 A summary of the scheme's business case and location map is included in **Appendix 7**.

Clean Growth / Climate Change Implications

- Improve air quality across the Leeds city centre by supporting and encouraging modal shift to more sustainable transport modes, reducing emissions of NOx in the city centre.
- The scheme also supports inclusive growth, supporting a better quality of life by enhancing public transport and active mode access to employment and education, supporting better air quality in the city centre, and enhancing the urban environment.

Outputs, benefits and inclusive growth implications

4.100 Scheme outputs and benefits include:

- Improving the quality of bus routing through the Leeds City centre with a 20% improvement in end to end journey times for selected services by 2021.
- Increase overall bus patronage by 25% by 2026.
- Enhance the quality of sustainable transport infrastructure through the delivery of 200 metres of segregated cycle lanes by 2021.
- Improve the quality of the bus passenger experience and levels of satisfaction by 2022.
- Enhance pedestrian streetscapes, the built environment and improve green infrastructure, to support a 1% uplift in footfall by 2026.
- The value for money assessment reflects a benefit cost ratio of 1.48:1, judging the scheme as low value for money – however the scheme's support to local and regional transport strategies, specifically its interface to LCCP and LPTIP schemes demonstrates the wider impact of the proposal.

4.101 Risks

Scheme risks include:

- Redundant services encountered during construction, causing delay and possible costs to the scheme. To be mitigated through undertaking of ground investigations (GPRS, trial holes, slit trenches).
- Influence of key stakeholders may affect programme schedule, such as noise complaints by businesses adjacent to the works. To be mitigated through early engagement with businesses with programme development to minimise noisy operations during peak trading hours.

Costs

4.102 The project costs can be summarised as:

- The total forecast scheme cost at full business case (activity 4) is £8.9 million, to be wholly funded by the West Yorkshire plus Transport Fund (WY+TF) through the £66.8 million WY+TF allocation to the Leeds City Centre Package (LCCP).
- Given the scheme was initially profiled for delivery through the Leeds Public Transport Investment Programme (LPTIP), the promoter has established scheme affordability through the £66.8 million WY+TF allocation to the LCCP.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
4 (Full business case)	Recommendation: Investment Committee Decision: Combined Authority	09/01/2020
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	31/01/2020

Other Key Timescales

4.103 Scheme construction to commence late January 2020 with practical completion anticipated for April 2021.

Assurance Tolerances

Assurance tolerances
Any increase to Combined Authority costs above 10% will require further approval from the Combined Authority
That the delivery programme remains within 3 months of that set out in this report.

Project responsibilities

Senior Responsible Officer	Gary Bartlett
Project Manager	Gwyn Owen
Combined Authority case officer	Asif Abed

Appraisal summary

- 4.104 The scheme at full business case adequately captures the strategic drivers for investment, reflecting its support to the delivery of local and regional public transport strategies and policies across West Yorkshire, but more pertinently to deliver works to complement and accommodate current and forthcoming schemes through the Leeds City Centre Package (LCCP) and the Leeds Public Transport Investment Programme (LPTIP).
- 4.105 The commercial and management cases are suitably developed, and very much reflective of processes in place for the LPTIP programme, which is to be expected given the scheme has been developed through LPTIP. Going forwards, scheme implementation is to be delivered and funded through LCCP. Given the interface with LPTIP schemes, specifically Headrow Gateway, construction progress will be monitored at both programme boards, with appropriate governance in place.
- 4.106 Scheme cost estimates are clearly presented and deemed to be relatively robust, with development of a contractor target cost at full business case with finalised costs (activity 5) expected to be within budget. The promoter has also presented the latest LCCP and LPTIP programme funding papers to demonstrate scheme and programme affordability.
- 4.107 The value for money assessment reflects low value for money scheme, however, the strategic alignment and wider role in facilitating enhancement of public transport network and expansion of public space at City Square, in long term, outweighs the low value for money assessment.

Recommendations

- 4.108 That Investment Committee recommends to the Combined Authority that:
- (i) The Infirmary Street Gateway scheme proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs).
 - (ii) An indicative approval to the total project value of £8.90 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) Future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

Project Title	Wakefield South East Gateway – Rutland Mills
Stage	2 (Development)
Decision Point	4 (Full business case)

Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input 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

- 4.109 This scheme is part funded through the Local Growth Fund. The purpose of this funding is to attract the next generation of jobs and deliver a step change to the growth of the City Region. The Growth Deal enables implementation of the priorities set out in the Strategic Economic Plan including the development of housing and commercial sites, expansion of a skilled workforce, support to growing businesses, promotion of resource efficiency and investment in integrated transport.
- 4.110 The Wakefield City Centre, South East Gateway scheme forms part of the Housing and Regeneration programme. The objectives of this programme are to deliver commercial floor space and homes in the Leeds City Region.
- 4.111 Development of the Wakefield City Centre South East Gateway is a key priority for Wakefield Council and the Leeds City Region, to raise the national profile of Wakefield within the cultural and creative sector and to transform the city's image by redeveloping the waterfront as a distinct part of the city centre.
- 4.112 The Wakefield City Centre, South East Gateway scheme consists of two projects, Waterfront (Rutland Mills) and Kirkgate. The joint OBC received decision point 3 approval from the Combined Authority in April 2019 for an indicative funding allocation of £6.5 million Local Growth Fund.
- 4.113 The recommendation at decision point 3 to progress the individual elements of the Wakefield South East Gateway scheme as separate full business cases, for Kirkgate and Rutland Mills, was approved.
- 4.114 The scope of the Rutland Mill project is the restoration of historic buildings and creation of high quality public realm at the Waterfront to deliver a creative industries jobs hub through studio, office and learning space along with associated hotel, food and beverage offer.

- 4.115 The development proposed at Rutland Mills was approved for Local Growth Funding in April 2019, at which time.
- 4.116 At decision point 3 the Rutland Mill project was seeking £4.9 million in LGF towards a total scheme cost of £32.62 million. The total cost is now £20.57 million and the funding sought reduced to £2.89 million. The project was forecast to deliver 301 jobs through the creation of 6,920 square metres of commercial floor space. This has been revised to 219 full time equivalent jobs.
- 4.117 A summary of the scheme’s business case and location map is included in **Appendix 8**.

Clean Growth / Climate Change Implications

- 4.118 The Rutland Mill project delivers against Priority 3 of the Strategic Economic Plan to promote Clean Energy and Environmental Resilience. This will be achieved by:
 - The restoration of the listed mill buildings will entail recycling demolition materials within the site, thereby reducing waste to landfill.
 - Low energy heating and lighting systems will be installed within the buildings to reduce carbon emissions.
 - Derelict mill buildings will be brought back into productive use and a former brownfield site will be decontaminated thereby reducing the development of green field sites.
 - High quality green infrastructure along with sustainable drainage systems will be integrated into the public realm design.
 - The scheme will undertake flood defence works in completing the final section of flood defences for the entire Waterfront site. These flood protection works complement the Environment Agency’s strategy for the River Calder corridor and increase the standard of protection to the waterfront area.

Outputs, benefits and inclusive growth implications

- 6,920 sqm commercial floor space constructed/refurbished by
- 219 gross full time equivalent (FTE) jobs created by March 2025.

Risks

Risk	Impact	Mitigation
Due to changes to market demand and failure to attract tenants there is a risk that the project becomes unsustainable	Inability to achieve predicted levels of occupancy causes reduced delivery against jobs outputs target by March 2025.	The development contract outlines that if 100% of the floor space isn’t developed by December 2022, Wakefield can step in to buy back at 70% market value.

following completion of the development.		The Combined Authority funding agreement to include for provision to clawback funding if floor space is not achieved by March 2023 and jobs outputs are not achieved by March 2025.
Delays to procurement and demolition/build programmes.	Local Growth Funding fails to be spent by the March 2021 deadline, impacting on Growth Deal spend targets.	The Combined Authority Project Team to attend Project Board meetings and keep informed of any risk to contract delays and be party to discussion on potential to accelerate individual works packages.
The Combined Authority fails to gain a share in the return of profits resulting from the scheme	Public funding could be used to benefit the developer and an opportunity for a reinvest able return to the Leeds City Region missed.	The Combined Authority to seek commercial advice regarding overage and appropriate security for this scheme which will be included within funding and legal agreements.
Cost increases due to extended dilapidation of buildings/increased costs of labour and materials/inadequate surveys/Inflation/Brexit impact on markets.	Delay to delivery would impact on the ability to spend by March 2021 and potentially reduce completed floorspace delivered by December 22 and jobs outputs achieved by March 2025.	Estimated costs have been independently reviewed and approved. Some intrusive surveys have taken place. Contingency in cost plan. Clawback and buy back mechanism within funding agreements. Local Growth Funding is capped with no tolerance.

Costs

4.119 The scheme seeks a funding contribution of £2.89 million from the Combined Authority Local Growth Fund against a total project cost of £20.57 million.

- £1.5 million of Business Rate Pool funding
- £7.160 million Wakefield Council funding
- £9.020 million developer funding

4.120 The payment mechanism to be applied to the Local Growth Fund allocation is an intervention rate of 14% to the overall project costs. If the overall project costs reduce, the LGF allocation would come down in line with the intervention rate. If costs increase the funding would remain capped at £2.89 million.

4.121 Funding will only be paid out against evidenced expenditure, and payments only made against spend up to 31 March 2021.

- 4.122 Provision will be made within the funding agreement to claw back funding against non/under delivery of outputs. That is, the Combined Authority funding agreement to include for provision to proportional clawback funding if floor space (6,920 square metres) is not achieved by March 2023 and jobs outputs (219 gross full time equivalent (FTE)) are not achieved by March 2025.
- 4.123 The potential for a return on uplift in developer profit will be assessed and if applicable captured within the Combined Authority funding agreement.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
4 (Full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Investment Committee	04/12/2019
5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	26/06/2020

Other Key Timescales

4.124 Other key timescales are:

- Start of demolition – January 2020
- Demolition complete – July 2020
- Start of construction works – January 2021
- End of construction – December 2022

Assurance Tolerances

Assurance tolerances
<p>The funding request sought under this full business case is capped and fixed at £2.89 million to be spent by March 2021.</p> <p>That programme timescales should remain within 2 months of the timescales set out in this report.</p> <p>If the commercial floor space and jobs being delivered are reduced by 10% further approval is required from the Investment Committee.</p>

Project responsibilities

Senior Responsible Officer	Clare Elliott, Wakefield Council
Project Manager	James Stephenson, Wakefield Council

Combined Authority case officer	Seamus McDonnell
Combined Authority Project Lead	Polly Hutton

Appraisal summary

- 4.125 The scheme has a relatively strong strategic case. Rutland Mills occupies a strategic location on the edge of the city centre adjacent to the River Calder and the Hepworth Gallery. The buildings are in various states of disrepair and represent a blight on the area. The project could deliver local regeneration, new jobs and activities and build on the cultural/leisure offer of the Hepworth Gallery.
- 4.126 The main mill building is listed and the nature and extent of works required means that there is a significant viability gap for the project. Without public sector support the project would not proceed and there is clear evidence of market failure.
- 4.127 The commercial case underpinning the project has raised a number of issues particularly regarding the market demand for the project and procurement. The developer intends to take on space within the development and integrate other users from its similar development within London. However, a lack of certainty remains as does the speculative nature of the development. The issues identified within the commercial case could impact on the other cases within the appraisal.
- 4.128 This particularly applies to the economic case. The project has the potential to deliver significant economic returns and generate a good benefit to cost ratio, but this is wholly dependent on the forecast jobs actually being created.

Recommendations

- 4.129 The Investment Committee using the delegated authority from the Combined Authority Board approves:
- (i) That the Wakefield City Centre, South East Gateway – Rutland Mill proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs).
 - (ii) An indicative approval to the Combined Authority’s capped contribution of £2.89 million to the Rutland Mill scheme to be funded from the Local Growth Fund programme is given towards a total scheme cost of £20.57 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).
 - (iii) That decision point 5 (full business case with finalised costs) is conditional upon the Wakefield Council providing a finalised development contract which demonstrate that if 100% of the floor space isn’t developed by December 2022, Wakefield can step in to buy back at 70% market value.

- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report following a recommendation by the Combined Authority's 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	LPTIP: A660 Holt Lane
Stage	2 (Development)
Decision Point	5 (Full business case with finalised costs)

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

- 4.130 The A660 Holt Lane scheme forms part of the Leeds Public Transport Investment Programme (LPTIP), a £183.5 million programme using devolved Department for Transport funding supplemented with contributions from Leeds City Council and the Combined Authority. This programme aims to support economic growth by unlocking transport constraints, improve public transport journey times and usage and improve health outcomes by reducing overall transport emissions.
- 4.131 The scheme is the first of a series of proposed improvements to the A660 corridor coming forward through LPTIP. It involves improvements to the junction of the A660 Otley Road and Holt Lane in Adel, north of Lawnswood Roundabout. The current priority junction will be replaced by a signalised junction to enable bus priority, controlled pedestrian crossings and a new bus stop lay-by on the southbound carriageway to reduce delays to general traffic.
- 4.132 The scheme will primarily deliver benefits to bus users through improving journey times and reliability and supports the delivery of Priority 4 (Infrastructure for Growth) of the Strategic Economic Plan (SEP), increasing connectivity, improving access to jobs and services and reducing carbon emissions.
- 4.133 The A660 is one of five prioritised corridors in the LPTIP programme which received Strategic Outline Case (decision point 2) approval from the Combined Authority on 29th June 2019. Due to its relatively small scale, the Holt Lane scheme has come forward at full business case with finalised costs (decision point 5).
- 4.134 Further improvement schemes along the A660 corridor will come forward for consideration in early 2020. These are expected to include bus prioritisation measures at Headingley Hills (north of Hyde Park Corner) and traffic signal upgrades south of Lawnswood Roundabout.

- 4.135 Leeds City Council are the scheme promoter with WSP as development partner and BAM appointed as the delivery partner.
- 4.136 A summary of the scheme's business case and location map is included in **Appendix 9**.

Clean Growth / Climate Change Implications

- 4.137 The scheme aims to promote modal shift from car to bus, taking up to 7,300 car kilometres per annum off the road network following completion, helping to reduce levels of nitrogen oxides on a key arterial road. Outputs, benefits and inclusive growth implications
- 4.138 The outputs, benefits and inclusive growth implications of the scheme will include
- Improving end-to-end journey times for buses
 - Improving punctuality by reducing journey time variability
 - Improving the quality of bus passenger experience and levels of satisfaction
 - Improving access to employment and training via public transport
 - Improving network safety for all users
- 4.139 Recognising that this scheme is a relatively small scale intervention, specific targets at a corridor-level will be brought forward as furthermore significant improvement schemes are brought forward.

Risks

- 4.140 The key risks to the delivery of the scheme and associated mitigation measures are: -
- Unforeseen and/or unidentified services discovered during construction – mitigated by detailed surveys in areas where works cross areas with utilities
 - Long lead times for traffic signal equipment and bus shelters – mitigated by early specification and engagement with suppliers

Costs

- 4.141 The total cost of the scheme is £1.150 million. The Combined Authority will fund 100% of this cost from the devolved DfT Leeds Public Transport Investment Programme.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
5 (Full business case with finalised costs)	Recommendation: Investment Committee Decision: Combined Authority	09/01/2020

Other Key Timescales

4.142 Start on site November 2019, construction complete January 2020

Assurance Tolerances

Assurance tolerances
Any increase to Combined Authority costs above 10% will require further approval from the Combined Authority Timescale for scheme completion to remain within 3 months of the timescales set out in this report

Project responsibilities

Senior Responsible Officer	Gary Bartlett, Leeds City Council
Project Manager	Morgan Tatchell-Evans
Combined Authority case officer	Ian McNichol

Appraisal summary

- 4.143 The scheme has a strong strategic case within the context of LPTIP and the proposed interventions on the A660 corridor. The case for intervention is well made in terms of the impact of delays on high frequency bus services routed through the junction and associated safety issues which impact on all users.
- 4.144 The economic assessment produces a core benefit cost ratio (BCR) of -2.39. However, when the value of highway dis-benefits to car users are excluded this rises to 1.19 and the economic case demonstrates a range of potential benefits in relation to safety, severance and access to services (pedestrians and cyclists) and air quality.
- 4.145 The scheme is fully funded through LPTIP and will be delivered by retained contractors under established governance arrangements.

Recommendations

- 4.146 The Investment Committee recommends to the Combined Authority that
- (i) The A660 Holt Lane project proceeds through decision point 5 and work commences on activity 6 (Delivery).

- (ii) Approval to the total project value of £1.150 million is given from the LPTIP fund.
- (iii) The Combined Authority enters into an addendum to the Funding Agreement with Leeds City Council for expenditure of up to £1.150 million from the LPTIP Fund.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

Projects in Stage 3: Delivery and Evaluation



4.147 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.

Project Title	Leeds PIPES District Heating Network
Stage	3 (Delivery and Evaluation)
Decision Point	Change request (activity 6)

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:	N/A	

Background

4.148 The project comprises the construction of a 4.5km district heating network, using underground super-insulated steel pipes, to connect the Recycling and Energy Recovery Facility (RERF) in the Aire Valley to businesses in and around Leeds city centre, and 1,983 council tenants in multi storey flats to the north of the city centre.

4.149 A Leeds City Region Growth Deal allocation of £4 million was awarded to this project. This was accrued to 2018/19 financial year but not yet paid out.

4.150 The project has performed well against the objectives set:

- The network of underground pipework and energy centres have been constructed and the project will be accepted as complete subject to agreed defects in Q3 2019/20. This represents a delay to the project of around six months.
- The network is now connected to the RERF, which has been steadily supplying heat since September 2019.

- Annual heat sales are growing month on month and are projected to reach 1000MWh by December 2019. Whilst this is behind the 15,800 MWh target, the increasing demand for heat from flats, the arrival of cold weather and the reopening of Leeds Playhouse after refurbishment will increase heat demand.
- Monitoring of annual CO2 reductions is underway and the first report is expected in Q1 2020/21.
- Monitoring of notional fuel bills is underway and the first report is expected in Q1 2020/21.
- The promoter has recently secured Heat Networks Investment Project (HNIP) funding to expand the network (phase two), which demonstrates commitment to growing the network up to 2053.

4.151 Notwithstanding the progress made, a delay in completing the network has been incurred whilst a permanent gas main, supplying backup gas boilers, is fitted. To mitigate this, temporary boilers have been hired and connected to the network, so the heat supply is resilient. Northern Gas Networks have forecast a completion date of January 2020 for the permanent gas main. With the use of the temporary boilers the network is considered to be resilient and will be accepted as such in Q3 2019/20, with the permanent gas main connection being a defect item.

4.152 The scheme required fulfilment of two conditions before Combined Authority funds could be released, encompassing a heat sales agreement (with Leeds Playhouse and Leeds College of Music) and an interface agreement to be entered into between the two arms of the same company constructing and operating the project.

4.153 The scheme has met the second condition in full but has met only part of the first condition.

Description of Change Request

4.154 The proposed changes are twofold:

- **Programme and Grant Agreement Extension:** The project tolerance stated that the scheme would need additional approvals if the construction programme extended beyond April 2019. Whilst the project has made excellent progress, the promoter is now working towards accepting the network as complete with defects from the contractor in Q3 2019/20, a delay of circa six months. The grant agreement expired on 30th June 2019 and options in regard to the grant conditions (see below) were assessed through the autumn period prior to requesting a change. A retrospective extension to March 2020 is therefore requested to enable the £4 million grant funding to be paid out to the promoter when the drawdown conditions have been met to the satisfaction of the funder.
- **Change to Conditions of Drawdown:** There were two conditions of grant drawdown attached to this project. One has been met in full, whilst the second has been met in part:

- Condition 1a (met): A heat sales agreement has been entered into with Leeds Playhouse. In August 2019, heat demand from this building along with growing numbers of council-owned flats was ~165MWh (mega-watt hours). Around 1000 flats are expected to be connected by December 2019. The increase in customers, together with greater seasonal heat demand, is projected to increase consumption to ~1000MWh for the month of December 2019.
- Condition 1b (not met): The element outstanding is to enter into a heat sales agreement with Leeds College of Music. Due to factors linked to the current heating arrangements of the building, and outside of the scope of this project, it has not yet been possible to enter into the agreement and the current estimate is early in 2020/21. Leeds College of Music remains committed to connecting to the network. The target heat demand from this customer was estimated to be only ~3.8% of the total. The proposed change is to remove the requirement for a heat agreement with the College of Music as the promoter has evidenced demand from alternative sources and other potential customers.
- The purpose of requiring heat agreements with the College of Music was to demonstrate sufficient demand for the heat network, albeit the College of Music represents a modest contribution (3.8%) towards the 2019/20 target. Although the recommendation is to remove the condition relating to the College of Music, the promoter has evidenced demand from alternative sources including the connection of the flats which represent 86% of the 2019/20 heat demand target. There is considerable interest in the network from prospective customers and the recent confirmation of Heat Networks Investment Project funding from BEIS for phase two, provides additional comfort demand for the network is growing. Furthermore, Leeds College of Music remains committed to connecting to the network but delays outside of the scope of this project have meant a heat sales agreement cannot be entered into as soon as was expected.
- Condition 2 (met): An interface agreement has been entered into between the two arms of the same company constructing and operating the project.

Clean Growth / Climate Change Implications

4.155 The project continues to make a strong strategic contribution to the Leeds City Region's vision by responding to the challenges set out in Priority 3 of the Strategic Economic Plan, and the recently announced Climate Emergency:

- **New energy generation:** The low carbon heat source comes from waste heat from the Recycling and Energy Recovery Facility, which is expected to result in annual CO₂ reductions of 4,300 tonnes in the 2020/2021 financial year and 5,000 tonnes of carbon per annum by 2023/24.

- **Resource efficient business:** By connecting commercial premises like Leeds Playhouse to the network and expanding the network in future, the project supports the vision to support resource efficient business.
- **Empowering consumers:** By reducing notional fuel bills by between 11-30% (a direct saving of up to £250 per annum per household converted from electrical heating to district heating) the project tackles fuel poverty and empowers customers to be energy efficient.
- **Low Carbon infrastructure:** By delivering 4.5km of pipework and two energy centres to support the system, the project delivers green infrastructure.

Outputs, benefits and inclusive growth implications

4.156 This change request does not affect the originally outlined outputs, benefits and inclusive growth implications of the scheme.

4.157 These were:

- Connection of the District Heat Network, Heat Transfer Station and Energy Centre to the Recycling and Energy Recovery Facility (RERF);
- A minimum of 1,983 council flats in 34 multi-storey blocks owned by Leeds City Council in the Saxton Gardens, Lincoln Green and Ebor Gardens areas of the city;
- Anchor loads including but not limited to West Yorkshire Playhouse, Leeds College of Music, Private developments

Risks

4.158 The project has performed well against the objectives set and the network of underground pipework and energy centres have been constructed and the project will be accepted as complete subject to agreed defects in Q3 2019/20. Therefore, no high risks remain to the project.

Costs

4.159 The £4 million allocated to the project from the Leeds City Region Local Growth Deal was accrued to 2018/19 financial year but has not yet been paid out.

4.160 Approval of this change request will enable the £4 million grant funding to be paid out to the promoter when the drawdown conditions have been met to the satisfaction of the funder.

4.161 The project cost has increased from £21.276 million to £22.559 million, which (at +6%) remains within the 10% project cost tolerance and has been funded by Leeds City Council.

Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
Change Request (Activity 6)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Investment Committee	04/12/2019
6 (Delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	04/12/2019
7 (Review and close)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	02/06/2020

Other Key Timescales

- 4.162 The council intends to accept completion of the entire network, subject to agreed defects, during Q3 2019/20.

Assurance Tolerances

Assurance tolerances
Combined Authority costs should remain within 0% the costs set out in this report. The timeframes should remain within 3 months of those set out in this report.

Project responsibilities

Senior Responsible Officer	Neil Evans – Leeds City Council
Senior Project Manager	George Munson – Leeds City Council
Project Manager	Daisy Johnson- Combined Authority
Combined Authority case officer	Paul Coy

Appraisal summary

- 4.163 The council's contractor has been successful in installing a 4.5km network of underground pipework and two energy centres required to carry waste heat from the RERF to heat homes and businesses in Leeds city centre.
- 4.164 The RERF has been steadily supplying heat to the network since September 2019 with 400 council flats and Leeds Playhouse already connected.

- 4.165 The project will be accepted as complete, subject to agreed defects, in Q3 2019/20. The agreed defects are expected to be resolved by Q4 2019/20.
- 4.166 Whilst one of the grant conditions has been met in full and the second condition has been met in part, one element remains outstanding, which is to enter into a heat sales agreement with Leeds College of Music. This has been delayed due to factors outside of the scope of this project. Given that the target heat demand from the College of Music was only 3.8% and the remaining conditions have been met, it is recommended to remove this condition on the basis that a sufficient and growing level of heat demand has been evidenced and achieved.
- 4.167 The proposed retrospective extension of the grant agreement to March 2020 is recommended, given that the agreed defects are expected to be resolved in Q4 2019/20. This will enable the accrued grant money to be paid to the promoter.

Recommendations

- 4.168 That Investment Committee approves that:
- (i) The change request to the Leeds District Heating Network project to extend the time for the completion date be approved.
 - (ii) The change request to remove Leeds College of Music contract condition be removed as the promoter has evidenced demand from other sources.
 - (iii) The Funding Agreement for Leeds City Council is retrospectively extended from June 2019 to March 2020 and removes the requirement for a heat sales agreement with the Leeds College of Music.
 - (iv) That future approvals are made in accordance with the assurance pathway and approval route outlined in this report including at decision point 6 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.

Decisions made through the delegation to the Managing Director

4.169 Since Investment Committee's meeting on 7th November 2019, decisions regarding the following schemes has been exercised. These decisions were made through the delegation to the Combined Authority's Managing Director or Director of Delivery 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 or Director of Delivery, 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.

Headrow City Centre Gateway

4.170 This decision related to the Headrow City Centre Gateway scheme achieving decision point 5 (full business case with finalised costs) approval and work starting on activity 6 (Delivery).

4.171 The Headrow Gateway scheme is located to the north of the pedestrianised core of Leeds city centre. The scheme includes The Headrow, Westgate, Vicar Lane between the Headrow and North Street, New Briggate, Cookridge Street between the Headrow and Great George Street, Harrison Street, and small lengths of other intersecting streets.

4.172 The scheme delivers a series of bus infrastructure, public realm, pedestrian and cycling infrastructure improvements, to enhance a major Gateway to Leeds city centre, making the city centre more attractive to visitors, residents, employees and prospective investors. This will include changes to highway geometry, bus re-routing, new general traffic restrictions, footway widening, removal or relocation of on street parking (including loading bays and taxi provision), provision of new green infrastructure, and new protected cycle lanes.

4.173 The Managing Director approved the decision point 5 on 25 October 2019 and that work can commence on delivery point 6. Approval to the Combined Authority's contribution of £22.456 million to be funded from the Leeds Public Transport Investment Programme (LPTIP), is given. The total project value is £22.756 million.

5 Financial implications

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

6 Legal implications

6.1 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.

7 Staffing implications

- 7.1 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.

8 External consultees

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

9 Recommendations

Bradford Interchange Carriageway Works

- 9.1 The Investment Committee recommends to the Combined Authority:
- (i) That the Bradford Interchange Carriageway Works proceeds through decision point 2 and work commences on Activity 4 (full business case)
 - (ii) An indicative approval to the total project value of £2 million is given from the Local Transport Plan - Integrated Transport Block with full approval to spend being granted once the scheme has progressed through the Assurance Process to Decision Point 5.
 - (iii) Development costs of £461,400 are approved in order to progress the scheme to Decision Point 5.
 - (iv) That the Combined Authority enter into a Funding Agreement with City of Bradford Metropolitan District Council for expenditure up to £300,000.
 - (v) That future approvals are made in accordance with the assurance pathway and approval route outlined in this report including at decision point 6 through a delegation to the 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.

ERDF – Connecting Innovation

- 9.2 The Investment Committee recommends to the Combined Authority:
- (i) That the ERDF Connecting Innovation project proceeds through decision point 2 and work commences on Activity 5 (full business case plus)
 - (ii) An indicative approval of £2,779,846 is given, comprised of £750,961 from the Access to Capital Grants element of the Local Growth Fund and £2,028,885 from the European Regional Development Fund, with full approval to spend being granted once the scheme has progressed through the Assurance Process to Decision Point 5. The total project costs are £4,057,771 million, with Small Medium Enterprise match funding of £1,277,925 million.

- (iii) That future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

Leeds Bus Station Gateway

9.3 That Investment Committee recommends to the Combined Authority that:

- (i) The Leeds Public Transport Improvement Programme Leeds Bus Station Gateway project proceeds through decision point 3 (outline business case) and work commences on activity 5 (full business case with finalised costs)
- (ii) An indicative approval to the total project value of £4.984 million is given from the Leeds Public Transport Investment Programme 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) Development costs of £350,000 are approved in order to progress the scheme to Decision Point 5.
- (iv) The Combined Authority enters into a variation to the Funding Agreement with Leeds City Council for release of expenditure of £350,000 from the LPTIP Fund for further project development.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

A58 Beckett Street & York Street

9.4 The Investment Committee recommends to the Combined Authority that:

- (i) The A58 Beckett Street and York Street proceeds through decision point 3 (Outline business case) and work commences on activity 4 (Full business case)
- (ii) An indicative approval to the total project value of £14.536 million is given from the Leeds Public Transport Investment Programme fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (FBC with finalised costs).
- (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

Bradford Shipley Route Improvement

- 9.5 The Investment Committee using the delegated authority from the Combined Authority Board approves:
- (i) The Bradford-Shipley Route Improvement 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 £47.9 million is given, to be funded 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) Approval of further development costs of £2.382 million in order to progress the scheme to decision point 5, taking the total approval to £3.979 million.
 - (iv) The Combined Authority enters into an addendum to the existing funding agreement with Bradford Council for additional expenditure of £2.382 million, taking the total approval to £3.979 million.
 - (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report including at decision point 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.

LCCP Infirmary Street

- 9.6 That Investment Committee recommends to the Combined Authority that:
- (i) The Infirmary Street Gateway scheme proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs).
 - (ii) An indicative approval to the total project value of £8.90 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) Future approvals are made in accordance with the Assurance pathway and Approval route outlined in this report including at decision point 5 through a delegation to the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

Wakefield South East Gateway – Rutland Mills

9.7 The Investment Committee using the delegated authority from the Combined Authority Board approves:

- (i) That the Wakefield City Centre, South East Gateway – Rutland Mill proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the Combined Authority's capped contribution of £2.89 million to the Rutland Mill scheme to be funded from the Local Growth Fund programme is given towards a total scheme cost of £20.57 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).
- (iii) That decision point 5 (full business case with finalised costs) is conditional upon the Wakefield Council providing a finalised development contract which demonstrates that if 100% of the floor space isn't developed by December 2022, Wakefield can step in to buy back at 70% market value.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

LPTIP: A660 Holt Lane

9.8 The Investment Committee recommends to the Combined Authority that:

- (i) The A660 Holt Lane project proceeds through decision point 5 and work commences on activity 6 (Delivery).
- (ii) Approval to the total project value of £1.150 million is given from the LPTIP fund.
- (iii) The Combined Authority enters into an addendum to the Funding Agreement with Leeds City Council for expenditure of up to £1.150 million from the LPTIP Fund.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this 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 this report.

Leeds PIPES District Heating Network

9.9 That Investment Committee approves that:

- (i) The change request to the Leeds District Heating Network project to extend the time for the completion date be approved.
- (ii) The change request to remove Leeds College of Music contract condition be removed as the promoter has evidenced demand from other sources.
- (iii) The Funding Agreement for Leeds City Council is retrospectively extended from June 2019 to March 2020 and removes the requirement for a heat sales agreement with the Leeds College of Music.
- (iv) That future approvals are made in accordance with the assurance pathway and approval route outlined in this report including at decision point 6 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.

10 Background documents

10.1 None as part of this report.

11 Appendices

Appendix 1 - Background

Appendix 2 - Bradford Interchange Carriageway Works

Appendix 3 - Connecting Innovation

Appendix 4 - Leeds Bus Station Gateway

Appendix 5 - A58 Beckett Street & York Street

Appendix 6 - Bradford Shipley Route Improvement

Appendix 7 - Infirmary Street Gateway

Appendix 8 - Wakefield South East Gateway – Rutland Mill

Appendix 9 - A660 Holt Lane

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Appendix 1 (Background to the report)

Subject: Capital Spending and Project Approvals

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.

Section A: Scheme Summary	
Name of Scheme:	Bradford Interchange Carriageway Works
Location of Scheme:	Bradford Interchange, Bridge Street, Bradford, BD1 1TU
PMO Scheme Code:	LTP-IPB-002
Lead Organisation:	West Yorkshire Combined Authority
Senior Responsible Officer:	David Dufton – Asset Development Manager – Combined Authority
Lead Promoter Contact:	Nick Fairchild – Project Manager – Transport Projects
Combined Authority Lead/ Programme Manager:	Nick Fairchild – Project Manager – Transport Projects
Case Officer:	Paul Coy – Project Officer – Feasibility and Assurance
Applicable Funding Stream(s) – Grant or Loan:	<p>Capital funding – Local Transport Plan – Implementation Phase 3 (Integrated Transport Block)</p> <p>Initial work, including staff time and development costs have been agreed to be covered from revenue sources managed by the Asset Management Manager, Facilities and Assets.</p> <p>This will be claimed back from the eventual capital approval.</p>
Growth Fund Priority Area (if applicable):	
Combined Authority approvals to date:	The scheme has been initially allocated a ceiling budget of £2 million from the Local Transport Plan (LTP) Implementation Phase 3 (IP3). This allocation was included as part of the Integrated Transport Block (ITB) programme submitted to the Combined Authority and approved at the meeting of 25 April 2019. The project will need go through the Combined Authority's framework assurance process from the beginning in order to obtain approval for capital spend.
Forecasted Full Approval Date (Decision Point 5):	August 2020
Forecasted Completion Date (Decision Point 6):	August 2020
Total Scheme Cost for the preferred way forward (£):	The scheme has been initially allocated a ceiling budget of £2 million from the Local Transport Plan (LTP) Implementation Phase 3 (IP3) by the Combined Authority.
WYCA Funding (£):	£2 million (ITB)
Total other public sector investment (£):	N/A
Total other private sector investment (£):	N/A

Is this a standalone Project?	Yes
Is this a Programme?	No
Is this Project part of an agreed Programme?	Yes

A.1	Scheme Description
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This information will be displayed on the Combined Authority website alongside the Investment Committee and Combined Authority Committee papers. The information provided should be factual and agreed with the scheme promoter.

This section should be completed once the appraisal has been performed to ensure the most up to date and accurate information is provided. The case officer should liaise with the scheme promoter in completing sections A.1 and A.2.

Areas of carriageway are showing signs of deterioration and have been subject to a number of ad-hoc repairs over a number of years.

If the carriageways are left in their current condition, there is a risk that the areas of deterioration will increase further and water penetration may cause damage to the concrete deck and more serious disruption will occur. The cost of repairs will become uneconomical when compared to a complete re-surfacing of the affected areas. Complaints can also be expected from the Leisure Unit tenant. These works are therefore essential to the continued, undisrupted operation of all Bradford Interchange users.

The preferred option is to undertake a complete resurfacing to the areas of carriageway to the suspended deck and the short stay car park. This will ensure that future revenue costs are avoided for around 10 to 15 years (actual period dependent upon contractual guarantees provided) to the areas resurfaced.

The scheme has been initially allocated a ceiling budget of £2 million from the Local Transport Plan (LTP) Implementation Phase 3 (IP3). This allocation was included as part of the Integrated Transport Block (ITB) programme submitted to the Combined Authority and approved at the meeting of 25 April 2019.

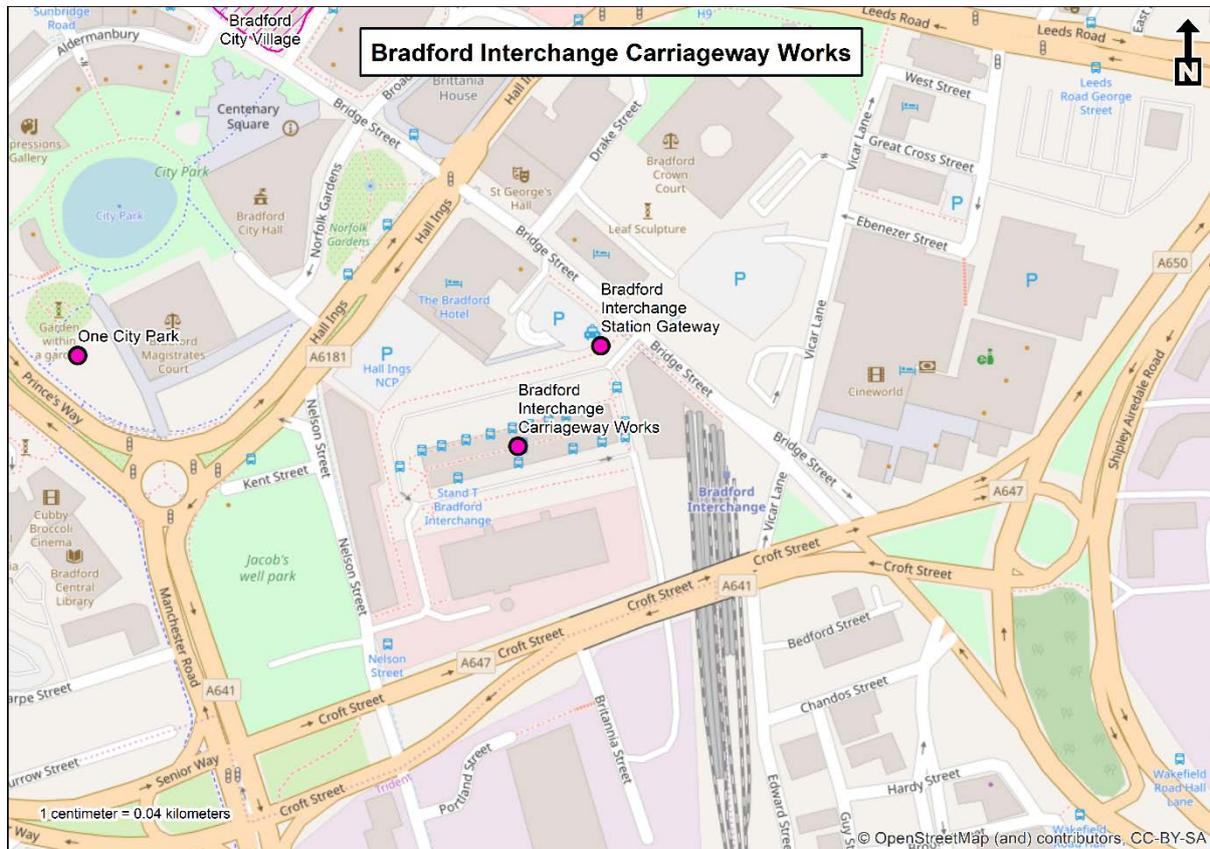
Section A: The scheme was listed under “Large Bus Stations – Bradford Interchange. *Essential structural renewal - Replacement of carriageway and waterproofing of car park*”. This reflects the scheme’s essential and urgent nature.

This project is critical to maintain and protect a public asset and ensure the continued, safe operation of a public transport facility. The repair and refurbishment of the carriageway is required before further projects to improve Bradford Interchange, which are being promoted by City of Bradford Metropolitan District Council, can be delivered.

A.2	Business Case Summary
Strategic Case	
<p>This project is critical to maintain and protect a public asset and ensure the continued operation of a public transport facility. The repair and refurbishment of the carriageway is required before further projects to improve Bradford Interchange, which are being promoted by City of Bradford Metropolitan District Council, can be delivered.</p> <p>Investment in Bradford Interchange to provide an attractive, high-quality environment will help encourage modal switch from private vehicles to sustainable bus and rail. This will contribute to the reduction of carbon emissions. The project meets Strategic Economic Plan priority areas 3, 4 and 6.</p>	
Economic Case	
<p>This project will ensure that future revenue costs are avoided for around 10 to 15 years (actual period dependent upon contractual guarantees provided) to the areas resurfaced. Current costs for ad hoc repairs are around £40,000 per annum. It is considered that annual ad hoc repair costs will increase year on year; over the next 5 years there could be around £215,000 on repairs to the suspended carriageway deck. The preferred option offers better value for money.</p>	
Commercial Case	
<p>The scheme is classified by Local Transport Plan as an '<i>Essential structural renewal - Replacement of carriageway and waterproofing of car park</i>' for a Large Bus station. Bradford Interchange is both used as a public transport hub and a leisure unit, and repair will benefit the leisure hub's public, services and tenants as well as the West Yorkshire Combined Authority's revenue from tenants, and savings from prior ad hoc repairs.</p>	
Financial Case	
<p>Section B: Provisional budget allocation within Local Transport Plan IP3 Integrated Transport Block: £2,000,000.</p> <p>There is a risk of scheme costs increasing during detailed design work which has not yet commenced.</p>	
Management Case	
<p>Project currently allocated to staff in Transport Projects, Implementation who have sufficient availability. External, professional services will be procured to develop the technical elements of the project.</p> <p>PRINCE 2 project management methodology will be used. The project board, defined by PRINCE 2, has been proposed in Section G. The Senior Responsible Officer, i.e. project executive, will chair regular board meetings and be kept up to date via highlight reports and escalations as necessary.</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/growing-the-economy/leeds-city-region-infrastructure-map/>

Section A: Scheme Summary	
Name of Scheme:	Connecting Innovation
Location of Scheme:	Leeds City Region
PMO Scheme Code:	WYCA-EU-006
Lead Organisation:	West Yorkshire Combined Authority
Senior Responsible Officer:	Vincent McCabe – Head of Business Support
Lead Promoter Contact:	Patrick Robertson – Service Manager – (Business Support)
Combined Authority Lead/ Programme Manager:	Patrick Robertson – Service Manager – (Business Support)
Case Officer:	Paul Coy – Project Officer – Feasibility and Assurance
Applicable Funding Stream(s) – Grant or Loan:	Funding through over-programming of Access to Capital Grants – Priority 1 of the Growth Deal totalling £750,961 to match fund a bid for £2,028,886 of European Funding to support Connecting Innovation.
Growth Fund Priority Area (if applicable):	
Combined Authority approvals to date:	Access to Capital Grants – see Capital Programme update report (2.12 and 2.13) that went to Investment Committee on 11 th June 2019. SARG approved 29 th April 2019. DP1 approval
Forecasted Full Approval Date (Decision Point 5):	Complete this section after completing Section G: management case
Forecasted Completion Date (Decision Point 6):	Complete this section after completing Section G: management case
Total Scheme Cost for the preferred way forward (£):	ERDF - £2,028,886 – Full application submitted May 2019 – currently awaiting detailed feedback
WYCA Funding (£):	Access to Capital Grants element of Local Growth Fund - £750,961 (subject to CA approval at DP5)

Total other public sector investment (£):	
Total other private sector investment (£):	SME match - £1,277,925 – subject to defrayal of grants to SMEs at an average intervention rate of 45%.

Is this a standalone Project?	Yes
Is this a Programme?	Yes
Is this Project part of an agreed Programme?	No

A.1	Scheme Description
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This information will be displayed on the Combined Authority website alongside the Investment Committee and Combined Authority Committee papers. The information provided should be factual and agreed with the scheme promoter.

This section should be completed once the appraisal has been performed to ensure the most up to date and accurate information is provided. The case officer should liaise with the scheme promoter in completing sections A.1 and A.2.

Innovation (ideas) is reflected in the Industrial Strategy as one of the five ‘foundations’ that support the Government’s vision for a transformed economy. It is a particular challenge in the Leeds City Region where rates of innovation are lower than in other areas of the country Business R&D in the region is very low (proportionality 6 x lower than East and 4 x lower than South East despite slightly higher than average Higher Education Institution (HEI) spending on R&D). Low take up of Innovate UK opportunities (and other innovation support) by Leeds City Region businesses. Low interaction between HEIs and businesses (0.43 against an average of 1)

The Strategic Economic Plan (SEP) identifies headline initiatives under each of the strategic priorities. The first headline initiative under ‘Growing Businesses’ is to *“implement coordinated and wide-ranging action to radically increase innovation”*.

The SEP explains that *“innovation is critical to future growth and prosperity. This includes R&D, links to higher education institutions and a creative culture that drives better products and services”*.

Whilst Access Innovation focussed largely on encouraging collaboration with research intensive organisations (typically universities or other publically funded bodies), Connecting Innovation is proposing a broader approach to increase the innovation capacity of SMEs within the Leeds City Region. Connecting Innovation will focus more on inspiring SMEs that have a lower propensity to engage and supporting them through the complex eco-system of innovation support. The project aims to increase the take of up of all innovation support and funding including Innovate UK, Catapult Centres, Knowledge Transfer Partnerships, universities and private sector innovation and product development companies.

There are three key components of the Connecting Innovation programme:

- 1) Innovation brokerage/support
- 2) Innovation Vouchers
- 3) Targeted Innovation Fund

A.2 Business Case Summary

Strategic Case

Increasing productivity is inextricably linked to innovation. As the UK's Industrial Strategy Green Paper (2017) notes:

“Higher levels of investment in innovation correlate with faster growth and higher income levels... leads to the creation of new products and services, more effective processes and better ways of doing business. These improvements are the essence of economic growth.”

The Combined Authority's emerging innovation policy forming part of the Local Industrial Strategy aims:

- To develop and embed a culture of innovation and innovative activity in the City Region, building on significant existing capability.
- To increase innovation activity/rates (both product and process) in the City Region.
- To address the demand for a broader range of innovation support that can't be supported by the current programme. Connecting Innovation will provide a valuable specialist innovation service that flexibly supports businesses to address their innovation needs and opportunities.

Whilst Connecting Innovation has emerged as a direct result of learning from its predecessor (Access Innovation), it has also been strongly shaped by emerging work to drive innovation as part of the Leeds City Region Local Industrial Strategy and

ambitions to increase business R&D across the area. R&D spend by businesses in this part of the world is particularly low. Business engagement with Innovate UK competitions is low and interaction between businesses and Higher Education Institutions is well below average. All this is despite having nine Higher Education Institutions in the area and a wealth of other innovation assets. This scheme aims to address key linkages and connections into and between the eco-system thereby assisting businesses to navigate and access the myriad of innovation support available.

As such, the scheme will directly contribute to the Government's target as set out in the Industrial Strategy of increasing R&D by 2.4%. This is a target for Leeds City Region and the support provided by this scheme will encourage and support businesses to engage in innovative activities and thereby invest more in R&D.

It also aligns strongly with Innovate UK's ambitions to drive innovation across the country and support the best business ideas wherever they come from.

Economic Case

The proposed changes reflected in Connecting Innovation application are as follows:

- Greater flexibility of the Innovation Growth Manager role to support SMEs to address their innovation challenges through access to wider innovation eco-system support and funding, and more intensive support to increase innovation capacity where required.
- Connecting Innovation businesses to develop and implement their project through the most appropriate means – not necessarily through direct funding.
- Supporting SMEs to identify the most appropriate collaboration partners.
- Signposting to the wider benefits and support available through universities e.g. Knowledge Transfer Partnerships, student placements, research council funding.
- Connecting Innovation will procure technical appraisal expertise to assess projects applying for funding through the Targeted Innovation Fund. Technical appraisal skills are required within each of the priority sectors. The appraisals will not make funding decisions but will make recommendations based on detailed technical appraisals and sector opportunity based knowledge.
- Smaller grants (projects under £25,000) would be subject to simpler procurement process (direct awards where appropriate). Greater procurement support will be available for SMEs undertaking larger projects.
- Greater prominence and importance of effective innovation messaging to engage with SMEs who do not currently consider themselves innovators. A dedicated funded communications resource will help build a narrative and

culture of innovation and ongoing engagement throughout the programme with a broader range and more diverse range of stakeholders and networks.

The proposed programme builds on these learning points and also provides a funding and delivery model that can deliver the objectives. The delivery model is such that it is not over-reliant on SMEs match funding (and therefore reducing the risk to the Combined Authority) compared to Access Innovation. Overall, the £751,000 being requested from Access to Capital Grants will bring in £1.25 million of private sector match and over £2 million of European Regional Development Fund funding and will deliver a business facing flagship innovation programme for the Leeds City Region at a time that innovation and productivity gains are crucial for the local and national economy.

Commercial Case

The 2017 business survey found that the main barriers for SMEs innovating are time (mentioned by 34% businesses) and financial constraints (32% of businesses). One in six (17%) consider expenditure in this area to be too high and similar proportions cite a lack of knowledge and expertise of the process or potential markets (each 15%)

The specific market failure that Connecting Innovation will directly address is the relatively low take up of innovation support, particularly by SMEs. The Connecting Innovation project will target SMEs that do not currently consider themselves as innovators, or who do not currently take advantage of external innovation support, and use the Innovation Growth Manager function to build their capacity, ambition and ability to access support that will help them to develop new products and processes. The Innovation Vouchers will help to incentivise this engagement and will allow SMEs to take their first steps into collaborative R&D projects. The larger Targeted Innovation Fund is positioned at more established SMEs that have robust disruptive innovation proposals that can deliver significant impacts, but that may not yet be at the scale or maturity to access larger funds through the like of Innovate UK.

Access Innovation has provided clear evidence of demand for a successor project, but one that takes with a broader review of innovation and puts greater emphasis on simplifying the innovation eco-system and creating a culture of innovation.

Access Innovation has engaged with 510 SMEs, 266 of which received one-to-one support from three Innovation Growth Managers, resulting in action plans for taking their innovation projects forward.

The 266 SMEs that have received intensive support from the Access Innovation project to date are a fraction of the SME base in the Leeds City Region (125,350). The Access Innovation project is now well established within the regional business support offer and strong partnerships exist with other organisations offering innovation services.

Financial Case

A fully costed proposal was submitted to MHCLG in an Outline Application in November 2018. This was preceded by an RfD requesting permission to submit the Outline. A further RfD was approved in May 2019 before submission of a Full Application that included revised costings.

The model itself, as outlined in D1 is a result of three years of delivery of Access Innovation, the emerging Local Industrial Strategy, and discussions with SMEs and partner organisations across the innovation eco-system.

Management Case

The Connecting Innovation team will be based within the LEP Growth Service alongside the team of 19 SME Growth Managers and two FTE Business Support Officers. The team will report on a day-to-day basis to the Combined Authority's Head of Business Support who, in turn, is accountable to the LEP Business, Innovation and Growth (BIG) Panel.

The LEP's BIG Panel will have ultimate strategic oversight for Connecting Innovation and the fulfilment of its strategic objectives. It will be supported in this by a Connecting Innovation Project Steering Group that will oversee the project at an operational level and report back progress to the BIG Panel on a quarterly basis.

Section A: Scheme Summary

Name of scheme:	Leeds Bus Station Gateway
PMO scheme code:	DFT-LPTIP-006D
Lead organisation:	West Yorkshire Combined Authority
Senior responsible officer:	David Pearson
Lead promoter contact:	Helen Ellerton
Case officer:	Ian McNichol
Applicable funding stream(s) – Grant or Loan:	Grant - LPTIP
Growth Fund Priority Area (if applicable):	Priority 4 (Infrastructure for Growth)
Approvals to date:	Decision Point 2 Indicative LPTIP Programme Approval of £183.266 million at: Investment Committee of 16 June 2017. And Combined Authority Board 29 June 2017.
Forecasted full approval date (decision point 5):	March 2020
Forecasted completion date (decision point 6):	March 2021
Total scheme cost (£):	£4.984 million
Combined Authority funding (£):	£4.984 million
Total other public sector investment (£):	£0
Total other private sector investment (£):	£0
Is this a standalone project?	Yes
Is this a programme?	No
Is this project part of an agreed programme?	LPTIP – Bus delivery

Current Assurance Process Activity:



Scheme Description:

This scheme will deliver a series of customer facing improvements to enhance the customer experience at Leeds Bus Station and ensure that it offers an inclusive experience for all passengers and a befitting arrival to the city centre. This aligns with the wider Leeds Public Transport Investment Programme (LPTIP) objectives, of improving the quality of the bus passenger experience and to increase overall bus patronage.

The scope of improvements includes upgrades to the quality of passenger facilities to ensure that they are befitting of the surroundings (Victoria Gate retail development to the north of the bus station and Quarry Hill mixed use development to the east of the bus station). The scheme will feature improvements to public realm, enhancements to signage and wayfinding to improve accessibility and improved integration with the surrounding area and other modes of travel. Together with this, sustainability improvements to the building itself, which will enable the bus station to contribute to carbon reduction, are proposed.

Business Case Summary:

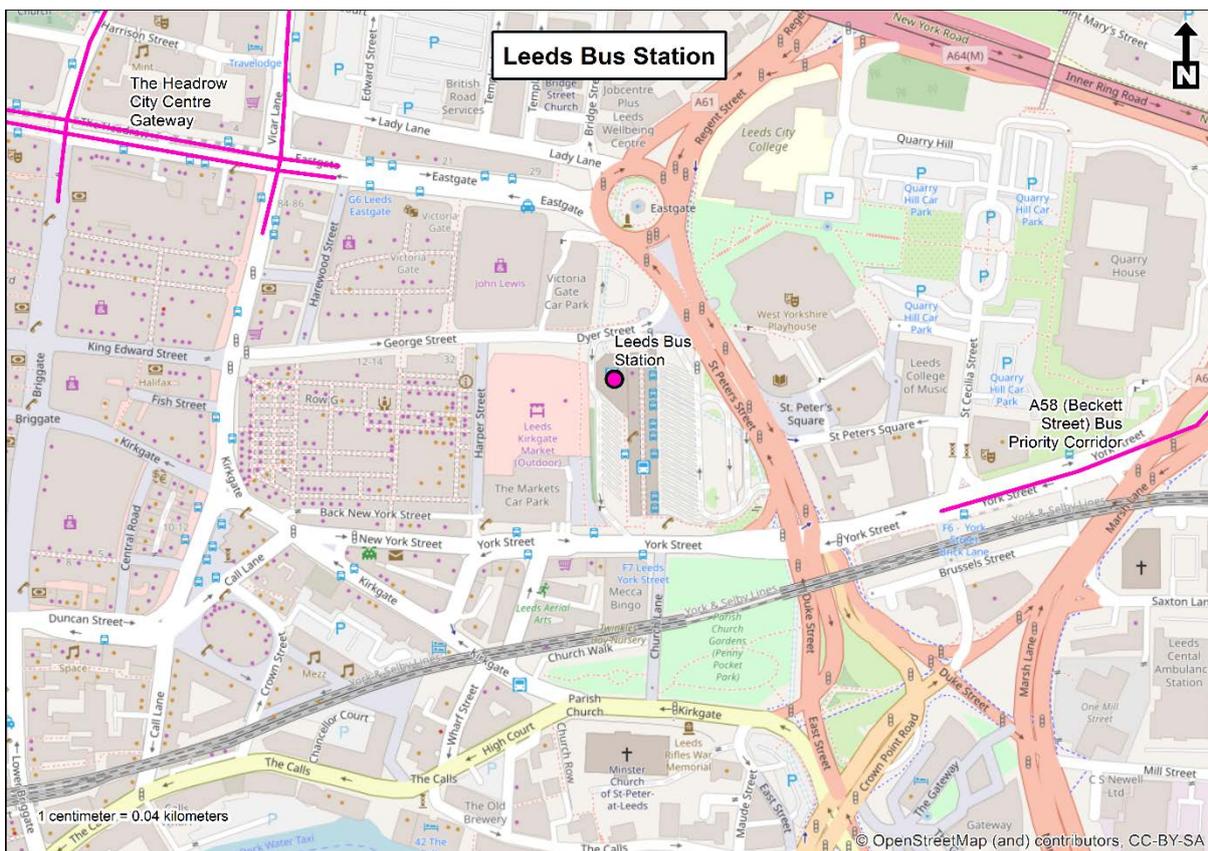
<p>Strategic Case</p>	<p>The number of people working and living in Leeds is expected to continue to rise over the next decade, with plans for an additional 11,300 dwellings and over 65,000m2 of new office space. Leeds City Council aims to have an exemplar public transport system and to double public transport patronage from the current level in the next ten years. The Leeds Bus Station scheme will support this policy aim. Alongside this, the Leeds Bus Station scheme aligns with the West Yorkshire Transport Strategy mid-point target of a 25% increase in bus users by 2027.</p> <p>LPTIP proposals build on the existing plans to redesign the city centre to reduce private motor vehicle traffic, cater for the projected increase in bus patronage, improve bus journey time reliability for buses and enhance the pedestrian and cycling environment. An upgrade to public realm, passenger facilities and accessibility at the bus station meets the aims of the LPTIP programme and will complement the city centre public transport improvements.</p> <p>There is a clear need for investment in sustainable transport provision to support sustainable growth and other socio-economic and environmental goals. This means the city cannot rely on increasing car use to underpin its growth, particularly in the city centre. Instead it must reduce dependence on the car and strengthen the role of modes that use highway space more efficiently and generate fewer negative externalities. Public transport, walking and cycling must accommodate the growth in demand for travel.</p> <p>The Leeds Bus Station Gateway is an important part of a tapestry of inter-related schemes in Leeds city centre and across the city, which together account for hundreds of millions of pounds of public and private sector investment designed to increase public transport use and active travel.</p>
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	<p>Together these schemes help to deliver the emerging city centre strategy and the emerging Leeds Transport Strategy.</p>
Commercial Case	<p>The clear emphasis of the Leeds Transport Strategy is to accommodate the growth in trips associated with increased employment, retail, leisure and housing in the city centre in a sustainable way. That is without significant growth in car trips to the city centre. The only way this can be achieved is by a step change in the use, and therefore the attractiveness, of public transport, particularly bus services.</p> <p>For procurement of the required works, three main delivery options have been considered by the Combined Authority:</p> <ul style="list-style-type: none"> • Early Contractor Involvement (ECI); • Design and Build (D&B); • Design, Bid and Build (Traditional). <p>The report concludes that further and more detailed work is needed in order to fully understand, appraise and develop a comprehensive strategy for procurement. At this stage, it is assumed that a competitive procurement procedure will be undertaken using the D&B or traditional approaches.</p>
Economic Case	<p>The approach developed for the appraisal of the Leeds Bus Station options is proportionate and consistent with the appraisal of all LPTIP Gateway and Transport Gateway schemes in Leeds using the same spreadsheet based approaches to evaluate bus, public realm benefits and scheme value for money.</p> <p>The economic case has been developed using WebTAG Guidance, principles and values - based on the comparison of a without scheme 'do minimum' scenario (infrastructure remains largely as existing) and with scheme 'do something' scenarios.</p> <p>The initial BCR for the preferred option is 1.09:1.</p> <p>An adjusted BCR, taking into account the energy efficiency savings and wider benefits brings the BCR for the preferred option to '1.45:1', based on the core scenario.</p>
Financial Case	<p>The total Leeds Bus Station scheme cost for the preferred option is £4.80 million. The scheme cost includes inflation to the year of spend, 4% contingencies and a risk allocation of £0.94 million which represents the P80 value from the Quantified Risk Assessment (QRA).</p> <p>An additional cost of £0.55 million has been included for consultation and monitoring and evaluation, as per all LPTIP schemes based on 1.5% of the scheme costs (prior to risk and contingency).</p> <p>There will be no additional maintenance costs associated with the scheme (over and above those required at the existing bus station); there will be an ongoing saving of approximately £14,000 per annum as a result of the energy efficiency interventions that are proposed as part of the scheme.</p> <p>The proposed scheme will increase the amount of rentable retail space through the extension to the retail / unit frontages as well as the provision of café seating.</p> <p>It is anticipated that the scheme will be wholly funded through the West Yorkshire Combined Authority LPTIP funding. However, as part of the next design stage / full business case, we would review any additional</p>

	funding sources. This could also include the Combined Authority Asset Management in relation to planned maintenance of the existing bus station.
Management Case	The Leeds Bus Station Gateway sits within the management and governance structures established to support the delivery of the LPTIP programme and each individual scheme within the programme. However, it will have a separate delivery structure reflecting the ownership of the Bus Station by the Combined Authority in contrast to the majority of the LPTIP schemes, which are being delivered by Leeds City Council as Highway Authority through their Contractor Delivery Partner. Both programme and scheme management procedures and processes are clearly set out in the Outline Business Case documentation.

Location map:

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

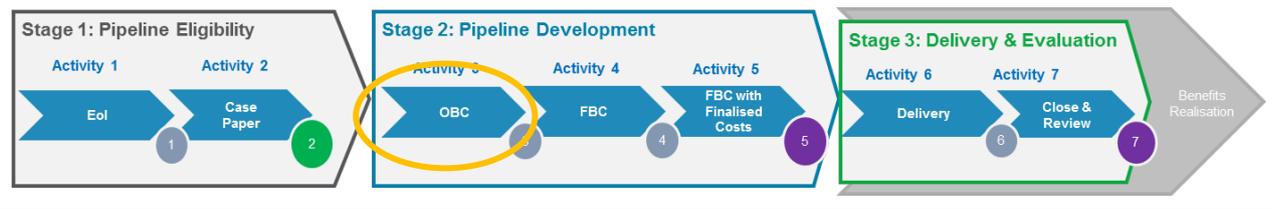


Please note, depending on the level of scheme development the location and scope of the schemes indicated here are indicative only. For further information on Combined Authority schemes across the Leeds City Region please refer to: <https://www.westyorks-ca.gov.uk/growing-the-economy/leeds-city-region-infrastructure-map/>

Section A: Scheme Summary

Name of scheme:	Leeds Public Transport Investment Programme (LPTIP):
PMO scheme code:	A58 Beckett Street & York Street
Lead organisation:	DFT-LPTIP-002c
Senior responsible officer:	Gary Bartlett, Leeds City Council
Lead promoter contact:	Robert Mason, Leeds City Council
Case officer:	Ian McNichol
Applicable funding stream(s) – Grant or Loan:	Grant - Leeds Public Transport Investment Programme (LPTIP)
Growth Fund Priority Area (if applicable):	Priority 4 Infrastructure for Growth
Approvals to date:	Decision Point 2 Indicative LPTIP Programme Approval of £183.266 million at: Investment Committee of 16 June 2017. And Combined Authority Board 29 June 2017.
Forecasted full approval date (decision point 5):	July 2020
Forecasted completion date (decision point 6):	March 2021
Total scheme cost (£):	£14,536,229
Combined Authority funding (£):	£14,536,229 (LPTIP)
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- LPTIP Bus Infrastructure Package

Current Assurance Process Activity:



Scheme Description:

The A58 York Street & Beckett Street OBC assesses a single proposal for bus infrastructure enhancements on York Street in Leeds City Centre, and three options for improvements to bus and active mode infrastructure (with accompanying impacts on general traffic) on the A58 (East) corridor through the Burmantofts area.

The York Street scheme comprises an amendment to an original City Connect 2 cycle scheme, in order to better cater for buses. The specific LPTIP interventions on York Street are:

- Significant extension to the ‘floating’ bus stop island to allow multiple buses to alight at the same time;
- Restriction of the western end of York Street to bus and access only in the inbound direction. These interventions will reduce bus journey times by up to a minute, with around 50 buses per hour in each direction benefiting from the proposals.

The full scope of the preferred option for Beckett Street (which is described as the “Do Maximum” option in the OBC) includes:

- New inbound (Fountain Heads Pub to Rider Street) and outbound (to Rectory Street) bus lanes of approximately 1,210 metres;
- New inbound and outbound segregated cycle tracks (mixture of one-way and two-way) covering the full section;
- Widening of footpaths outside St James’ Hospital to improve pedestrian streetscape;
- Larger bus stop and waiting areas at key stops (including a flagship bus stop environment outside St. James’ Hospital with bus bay to allow multiple buses to alight);
- New pedestrian crossings (upgraded to Toucan); Upgrade to signal technology (to PC MOVA) and controllers to dynamic responsive linked junctions;
- Landscaping scheme and tree planting in adjacent greenspaces and verges.

The OBC also includes the assessment of two reduced cost options, known as “Do Minimum” and “Do Something”.

The “Do Minimum” proposal targets locations along the corridor which experience worst delays and journey times. This option comprises:

- Minor improvements outside the hospital;
- A new inbound bus lane between the Fountain Head pub and Lincoln Green Road;
- Traffic signal upgrades to the rest of route;
- Minimal changes to the existing inbound bus lay-by outside St James’s; Slight widening to enhance footway/waiting area for pedestrian/passengers;
- Nominal increase in lay-by length (where possible) to create double length lay-by, without impacting on the existing privately-owned central Beckett Street car park.

Meanwhile, the “Do Something” option takes the scope of the “Do Minimum” as its baseline, and includes the following additional items:

- Upgrades to the hospital secondary access point for pedestrians (while still avoiding impacting on the privately-owned central car park);
- Widening of the highway to create an additional outbound bus lane between Lincoln Green Road and Alma Street;
- A new inbound, segregated cycle link (through the grass verge) between the Fountain Head Pub and Lincoln Green Road;
- Additional formal pedestrian crossing facilities around Lincoln Green Road junction;
- A new outbound bus lane on Burmantofts Street, from Rider Street to Lincoln Green Road.

Business Case Summary:

<p>Strategic Case</p>	<p>The objectives of the A58 York Street & Beckett Street scheme are to encourage a modal shift from car to both bus and active modes, thereby reducing congestion and greenhouse gas emissions, and improving air quality. This aligns with a number of stakeholders’ strategic plans, including the Leeds City Region <i>Strategic Economic Plan</i>, Transport for the North’s <i>Strategic Transport Plan</i>, and West Yorkshire Combined Authority’s <i>Transport Strategy 2040</i>. The economic benefits that could be realised through reduced congestion were also highlighted in the Northern Powerhouse <i>Independent Economic Review</i>. This A58 scheme is a typical LPTIP project, as the strategic aim of the LPTIP programme is to reverse the declining trend in bus patronage by addressing congestion (and delays to buses) which is a key driver for this trend. The scheme objectives are to achieve ‘good growth’, enabling social inclusion and better economic outcomes for some of the most deprived areas in Leeds.</p>
<p>Commercial Case</p>	<p>The Commercial Case for the A58 Beckett Street & York Street scheme provides evidence that the proposed scheme can be procured, implemented and operated in a viable and sustainable way.</p> <p>The procurement strategy builds on existing experience in the development, design, construction and management of similar improvements in Leeds. Leeds City Council are well placed to deliver the improvements on time and within budget, with an approach that will ensure final designs emerge that can deliver the scheme objectives and be delivered in the least disruptive way.</p> <p>The infrastructure improvements along the corridor will improve the quality of the transport network, leading to increases in the proportion of trips using bus as a mode of travel. This is supported by exemplar case studies from across the country and more locally, the A65 Quality Bus Corridor (QBC).</p> <p>In summary, the Commercial Case defines the current progress of the commercial aspect requirements of an OBC. This includes the selection of the contractor/delivery partner through an OJEU-led procurement exercise, and the identification of the procurement lead contact who will actively manage the Quantified Risk Assessment (QRA) and seek to</p>

	<p>promote value engineering through the NEC3 contract and risk allocation and transfer.</p>
Economic Case	<p>The Economic Case provides evidence of how the scheme is predicted to perform, in relation to its stated objectives, identified problems and targeted outcomes. It also defines the options development and further options sifting/packaging process. The options proposed for testing in the economic case are the most preferable against the current evidence base, scheme objectives and the underpinning scheme logic map, forming a key foundation for planning, appraisal and scheme delivery.</p> <p>The Economic Case also determines if the proposed scheme is a viable investment, utilising the appraisal elements and methodology set out in the Appraisal Specification Report (ASR). The approach therefore quantifies the following:</p> <ul style="list-style-type: none"> • Bus journey time benefits; • Bus reliability benefits; • Highway user impacts (scheme operation); • Cycle user benefits; • Marginal external benefits arising from encouraging a modal shift from car to bus and cycle (e.g. reduced accidents, greenhouse gas emissions, noise, and improved air quality). <p>The economic appraisal for the A58 York Street & Beckett Street schemes comprises an assessment of the overall, net, monetised, economic worth of the scheme. Although this project appraisal has not involved a run of West Yorkshire Combined Authority's Urban Dynamic Model (UDM) in order to capture Level 2 or 3 wider economic benefits, implementation of the package is likely to expand labour market and business catchments. This will increase productivity and Gross Value Added, leading to more employment opportunities as a result of expanding labour market and business-to-business catchments.</p>
Financial Case	<p>The Financial Case for the A58 Beckett Street & York Street schemes provides a breakdown of the expected project cost components and the time profile for the transport investment. It considers if these capital costs are affordable from public accounts at the times when the costs will arise.</p> <p>The total project outturn capital cost for the preferred option at OBC is £14,536,229, to be wholly funded through the West Yorkshire Combined Authority LPTIP funding stream. The scheme cost includes inflation to the year of spend, and 5% contingencies in the build-up of the base cost together with a QRA to inform the final cost for the financial case.</p> <p>Finally, the Financial Case reviews the risks associated with the scheme investment and examines possible mitigation.</p>
Management Case	<p>The Management Case outlines how the proposed scheme and its intended outcomes will be delivered successfully, emphasising the successful delivery of previous schemes and drawing on significant gained experience in contract management and project delivery.</p> <p>The Management Case also gives assurances that the scheme content, programme, resources, impacts, problems, affected groups and decision makers, will all be handled appropriately, to ensure that the scheme is ultimately successful. The project will be managed as part of an</p>

overarching programme of work known as the Leeds Public Transport Investment Programme (LPTIP). The A58 Beckett Street & York Street schemes sits within the management and governance structures established to support the delivery of the LPTIP programme, therefore comprising both programme and scheme management procedures and processes to ensure effective, on-time, on-budget scheme delivery.

The Management Case outlines the scheme programme which scopes and defines key project elements, allowing the project manager to ensure that important milestones, key tasks on the critical path and any project dependencies/constraints do not hinder the delivery of the scheme.

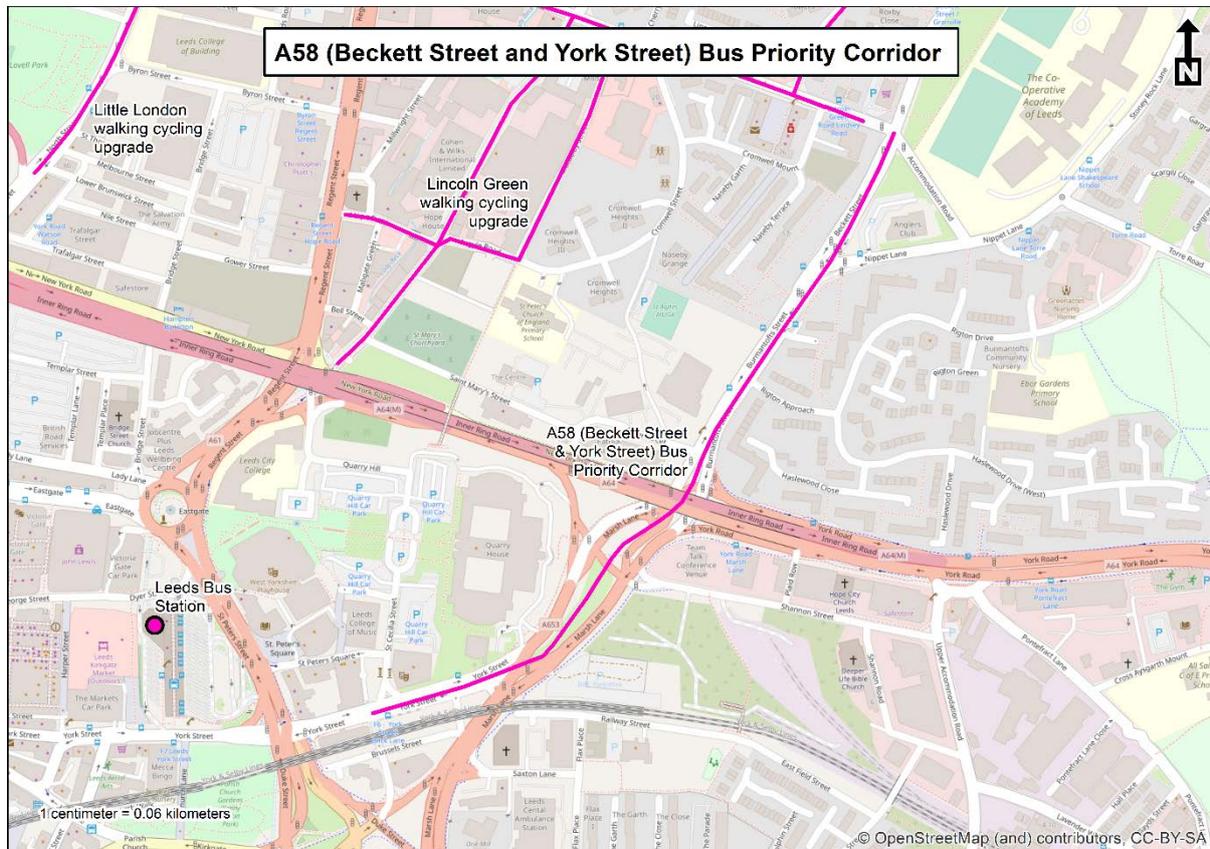
The management case demonstrates that the following components have been appropriately assessed at this Outline Business Case (OBC) stage:

- Project planning;
- Governance structure;
- Delivery constraints and risk management;
- Communications and stakeholder management;
- Monitoring and evaluation;
- Benefits realisation and assurance.

Alongside this, scheme risks will be continuously monitored throughout the project lifetime.

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/growing-the-economy/leeds-city-region-infrastructure-map/>

Section A: Scheme Summary

Name of scheme:	Bradford Shipley Route Improvement Scheme
PMO scheme code:	WY+TF-PA4-005
Lead organisation:	Bradford Council
Senior responsible officer:	Richard Gelder
Lead promoter contact:	James Williams
Case officer:	Asif Abed
Applicable funding stream(s) – Grant or Loan:	Grant – West Yorkshire-plus Transport Fund
Growth Fund Priority Area (if applicable):	Priority area 4 Infrastructure for Growth
Approvals to date:	Initial mandate January 2015 - £341,000 to progress to OBC. Indicative scheme cost of £42m. Change Request January 2018 - Additional £1,256,500 taking total approval to £1,597,500. Indicative scheme cost of £42m.
Forecasted full approval date (decision point 5):	September 2022
Forecasted completion date (decision point 6):	April 2025
Total scheme cost (£):	£53.79 million (£47.9 million West Yorkshire-plus Transport Fund allocation)
Combined Authority funding (£):	£47.9 million
Total other public sector investment (£):	£1.7million European Structural and Investment Funds (ESIF) (bid outcome expected December 2019)
Total other private sector investment (£):	£0
Is this a standalone project?	Yes
Is this a programme?	No

Is this project part of an agreed programme?

No

Current Assurance Process Activity:



Scheme Description:

The proposed Bradford-Shipley Route Improvement Scheme (BSRIS) aims to support economic growth through investment in improvements at key junctions. It focuses on reducing current and forecast congestion, improving journey time reliability and widening sustainable travel opportunities.

The scheme starts at the junction of the A650 Canal Road / A6181 Hamm Strasse and ends at the junction of the A6038 Otley Road / A657 (Fox Corner). The total route length is approximately 4.6km. The introduction of improvements to the BSRIS will enable the parallel Manningham Lane to become a sustainable transport corridor. Manningham Lane starts at the junction with Drewton Road / Hamm Strasse and ends at the A650 Bradford Road / St Paul's Road (a total length of approximately 4km). Figure 1 shows the location of the junction interventions.

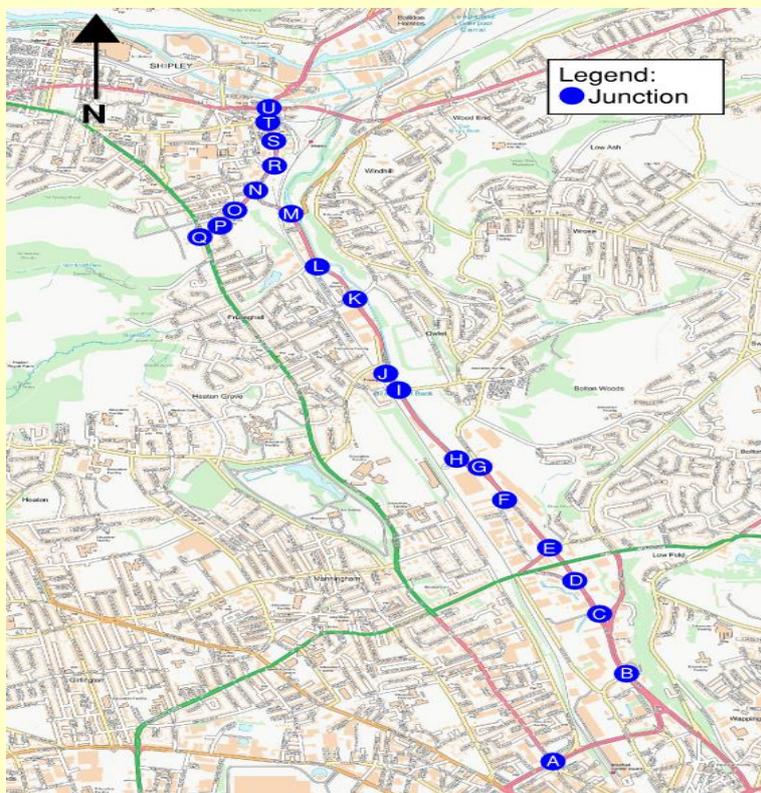


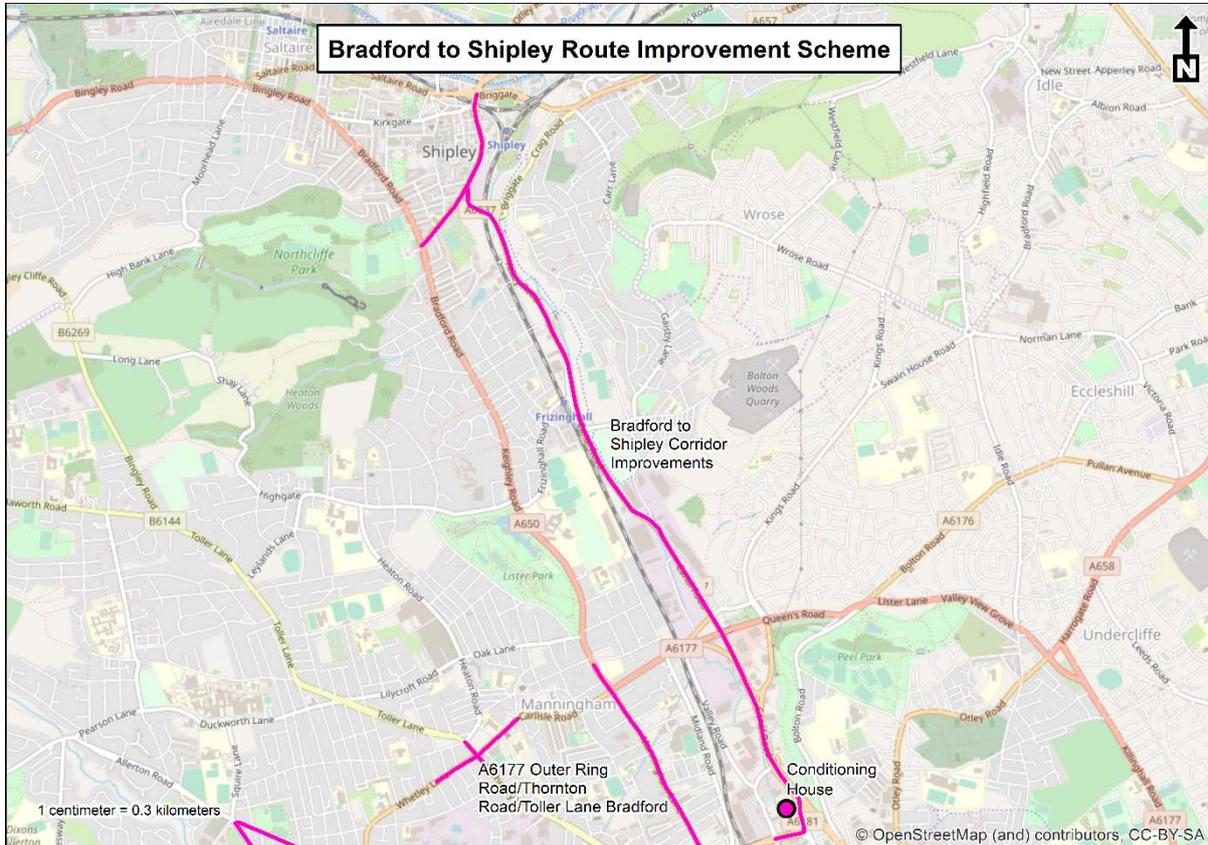
Figure 1 – Location of Junction Interventions

Business Case Summary:	
Strategic Case	<p>The Strategic Case for the scheme sets out how the aims and objectives will enable Bradford Council, as project sponsor, to fulfil its own growth ambitions, which strengthen and support the principles of the West Yorkshire-plus Transport Fund and the strategic pillars of the Leeds City Region (LCR) Strategic Economic Plan (SEP).</p> <p>The overarching theme is the need for the LCR to attract more inward investment and take advantage of the opportunities for economic growth, reversing the tide of industrial decline. Traffic congestion and the inadequacies of the district's road network are perceived as the main obstacles to growth.</p> <p>The provision of this scheme is a key element in the Shipley and Canal Road Area Action Plan to provide the area with the infrastructure it needs to support growth. It will enable the local road network to operate more efficiently by reducing congestion, improving journey times and providing the capacity for growth.</p> <p>The scheme builds on opportunity and natural economic strength. The approach will add value to new investment and a resurgent Shipley and Canal Road corridor and infrastructure improvements to create the conditions for a high quality residential and employment developments.</p>
Commercial Case	<p>The Shipley and Canal Road corridor will continue to be the focus of growth within the district in the future, with over 3,200 new homes allocated in the Local Plan. However, the realisation of this growth is dependent on targeted investment in transport interventions using a holistic approach that considers strategic accessibility in the area.</p> <p>Bradford Council has chosen what is referred to in procurement as a "traditional approach", NEC3 contract with secondary options, with the design being undertaken "in-house" and the Contractor appointed by tender. This process is the preferred route for the Council as it ensures best value for money and allows all contractors who have the relevant skills and workload capacity at the time of advertisement to complete.</p> <p>A Quantified Risk Assessment, which identifies the mitigation measures that may need to be put in place to manage the risks identified and to ensure the successful delivery of the scheme, has been submitted. Identified risks are analysed and assessed both qualitatively and quantitatively.</p> <p>It is likely that an Environmental Impact Assessment compliant planning application will be required, which will be determined prior to the Activity 4 submission.</p> <p>Land Acquisition, Diversion Orders and Traffic Regulation Orders will also be required prior to submission of Activity 4.</p>
Economic Case	<p>The economic assessment of the scheme has been undertaken in accordance with current WebTAG guidance and follows the process</p>

	<p>described in the Appraisal Specification Report.</p> <p>The scheme will facilitate the unlocking of strategic housing and employment sites, to support improving productivity and delivering GVA benefits to the City Region.</p> <p>The initial BCR at outline business case is 13.16:1, reflecting the scheme as Very High Value for Money based on the Department for Transport's value for money guidance criteria. It has, however, been acknowledged the BCR should be considered indicative given a limited strategic model has been used for appraisal, with the more robust Bradford model to be used as part of full business case development once available.</p>
Financial Case	<p>The scheme is to be delivered within the £47.9 million allocation from the West Yorkshire-plus Transport Fund.</p> <p>Current cost estimates at outline business case reflects a cost of £53.7 million.</p> <p>The cost estimates do however include a significant risk and contingency allocation, with anticipation they will be designed out as part of detailed design, reducing total costs within the £47.9 million budget.</p> <p>It is considered that there is no state aid present.</p>
Management Case	<p>The Management Case describes why the timescales for delivery are realistic, that an appropriate governance structure is in place to oversee delivery, that risks have been identified and suitable risk management processes are in place and that there are robust plans in place for communications and stakeholder management.</p> <p>The process and procedures necessary to manage this project are based on the PRINCE2 methodology promoted by the Office of Government Commerce (OGC), as requested under the West Yorkshire Single Appraisal Framework.</p> <p>The Management Case also ensures that the benefits set out in the Economic Case are realised and includes the measures to assess and evaluate this.</p> <p>Bradford Council is currently delivering West Yorkshire-plus Transport Fund major schemes. The management and delivery team used to successfully deliver these schemes have been built upon here. The approved approach for the Hard Ings scheme (a structured Project Management methodology) will be adopted for the delivery of the BSRIS</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.

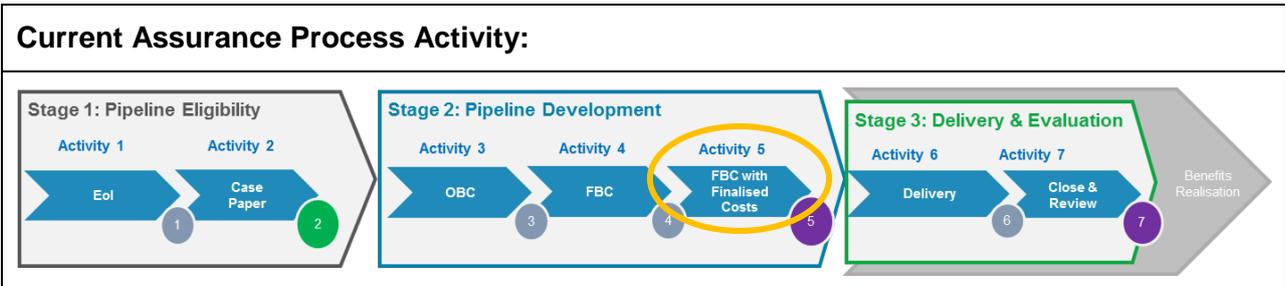
For further information on Combined Authority schemes across the Leeds City Region please refer to: <https://www.westyorks-ca.gov.uk/growing-the-economy/leeds-city-region-infrastructure-map/>

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Section A: Scheme Summary

Name of scheme:	Leeds City Centre Package: Infirmary Street Gateway
PMO scheme code:	WYTF-PA4-030a
Lead organisation:	Leeds City Council
Senior responsible officer:	Gary Bartlett, Leeds City Council
Lead promoter contact:	Gwyn Owen, Leeds City Council
Case officer:	Asif Abed
Applicable funding stream(s) – Grant or Loan:	West Yorkshire +Transport Fund
Growth Fund Priority Area (if applicable):	Priority Area 4 (Infrastructure for Growth)
Approvals to date:	<p>Decision Point 2 - The scheme initially formed part of the Leeds Public Transport Investment Programme (LPTIP) which secured programme approval at the Combined Authority Board of 29 June 2017.</p> <p>The scheme is now profiled to be delivered through the Leeds City Centre Package (LCCP), funded by the West Yorkshire-plus Transport Fund, which secured Combined Authority Board approval in 2016.</p>
Forecasted full approval date (decision point 5):	January 2020
Forecasted completion date (decision point 6):	April 2021
Total scheme cost (£):	£8.9 million
Combined Authority funding (£):	£8.9 million (West Yorkshire-plus Transport Fund)
Total other public sector investment (£):	N/A
Total other private sector investment (£):	N/A

Is this a standalone project?	Yes
Is this a programme?	No
Is this project part of an agreed programme?	Yes – Leeds City Centre Package



Scheme Description:

The Infirmary Street scheme will enhance a major transport gateway to Leeds city centre for bus users, pedestrians, and cycle users, through a series of bus infrastructure, public realm, pedestrian and cycling improvements.

Key:
 Scheme Boundary

The scheme is located to the east of the pedestrianised core of Leeds City Centre and is a key public transport box axis. The scheme includes Infirmary Street, Park Row and City Square, and small lengths of other intersecting junctions.

The improvements include the conversion of Infirmary Street (which is currently one-way eastbound) to two-way operation for buses and hackney carriages only. Park Row is to become one-way south-bound operation for buses and hackney carriages only, with one running lane and the reallocation of bus bays. This will narrow the carriageway along Park Row, creating wider footways in areas with high pedestrian footfall and creating space for a segregated cycle facility on the northern side of the carriageway.

The scheme will strengthen the provision for sustainable transport modes in the city centre and the wider Leeds district. It will also improve the city centre as a place to work, live, shop and entertain.

The scheme will be funded through the City Centre Package, forming an integral part of future highway works associated with proposals for City Square.



Park Row artist impression

Infirmary Street artist impression



Business Case Summary:

Strategic Case

To support population growth and attract and retain the pool of skilled workers, Leeds city centre needs to maintain its appeal. That is, Leeds must have easily accessible public transport links, low congestion, and improved air quality.

The transport system is currently not equipped to handle this growth due to the high use of cars increasing congestion levels and deterring active modes of transport, and the sub-optimal quality of public realms and green spaces.

This scheme will be delivered alongside other key public transport priority routes and interchange facilities that form part of the wider Leeds Transport Strategy. It will complement and complete the highway and cycle network being delivered through the Leeds Public Transport Investment

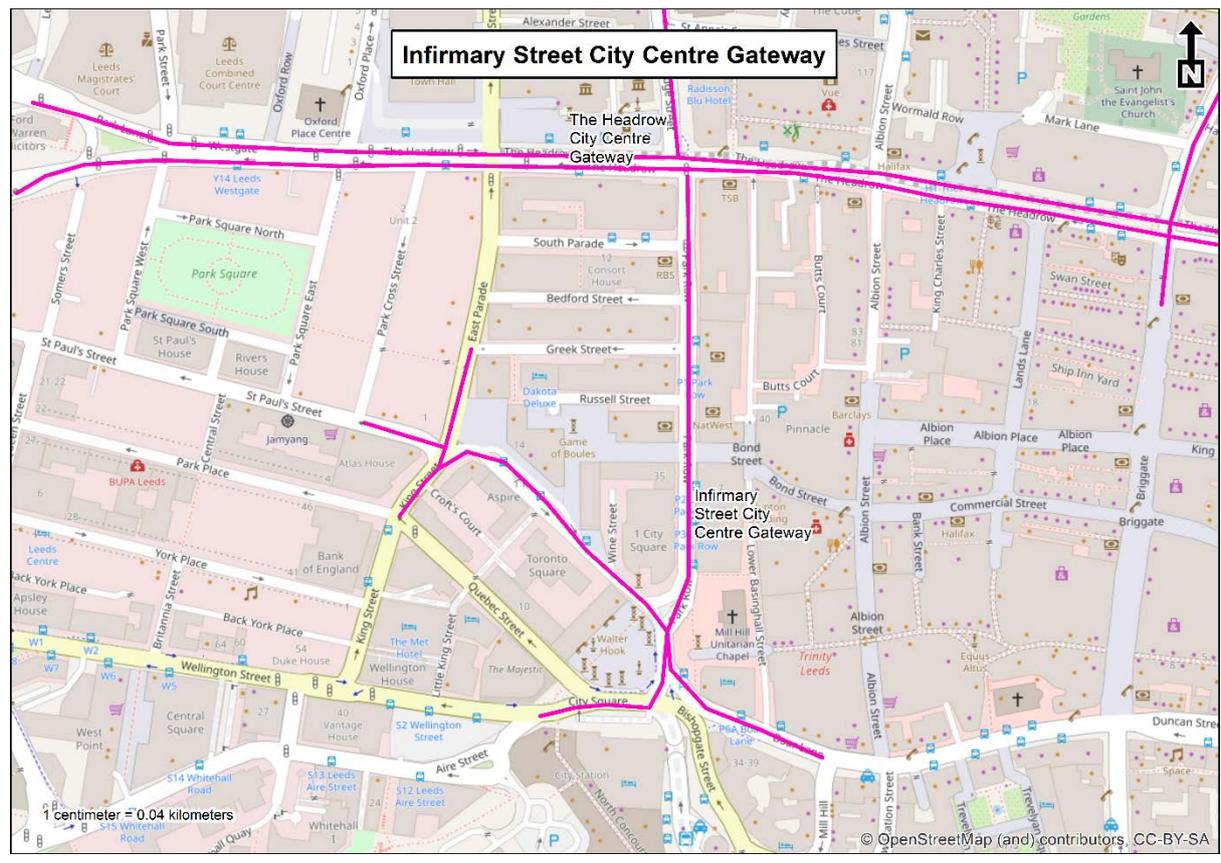
	<p>Programme (LPTIP) and City Connect, as well as supporting the forthcoming Leeds Clean Air Zone.</p> <p>The scheme has undergone extensive consultation to successfully ensure its delivery, maintenance and operation in the future.</p>
Commercial Case	<p>With a limited suburban rail network, buses across urban Leeds are a crucial component of the Leeds transport system. They help link people to jobs, education, training, shopping and vital health services. Moreover, they are an effective tool of social policy, providing social inclusion for disadvantaged groups, the jobless and young people with access to work to education and to training opportunities.</p> <p>The selected contractor, Sisk/ Capita, has been appointed through an OJEU led procurement exercise undertaken by Leeds City Council as part of LPTIP, and has been mobilised during the development stage of this project. This early contractor involvement has helped Leeds City Council and WSP (as the LPTIP Development Partner) gain a better understanding of construction risk in the complex city environments and ensuring the delivery of the documented works within the timescales required.</p> <p>No planning permission is required for the scheme due to construction taking place within the highway boundary or immediately adjacent to the highway boundary and thus permitted development under Schedule 2, Part 9, Class A (Development by highways authorities) of the General Permitted Development Order 2015 (GDPO).</p>
Economic Case	<p>The City Centre Package, including Infirmary Street Gateway and other sub schemes has been developed over a series of key design stages. The process has involved a comprehensive programme of traffic model testing as well as feasibility assessments. These have considered the viability and practicality of delivering the key elements of the scheme and were originally reviewed as part of the Gateway 1 OBC submission.</p>
Financial Case	<p>The total project outturn costs for the preferred Infirmary Street Gateway scheme at full business case is £8.9 million - informed by detailed costs and a full bill of quantities.</p> <p>The scheme seeks to draw 100% of the total costs from the £66.8m secured through the West Yorkshire-plus Transport Fund, for the Leeds City Centre Package.</p>
Management Case	<p>The Infirmary Street Gateway Scheme sits within the management and governance structures established to support the delivery of the Leeds City Centre Package programme and each individual scheme within the programme. This, therefore, comprises both programme and scheme management procedures and processes to ensure effective, on-time, on-budget scheme delivery.</p> <p>Leeds City Council is the scheme promotor, managing delivery, budgets and outcomes at an individual project level.</p> <p>West Yorkshire Combined Authority is the lead partner, managing delivery, budgets and outcomes at a City Centre Package programme-wide level.</p>

WSP is the business case development partner with Sisk + Capita selected as the delivery partner.

Construction is forecast to commence in January 2020 with practical completion anticipated for April 2021.

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.

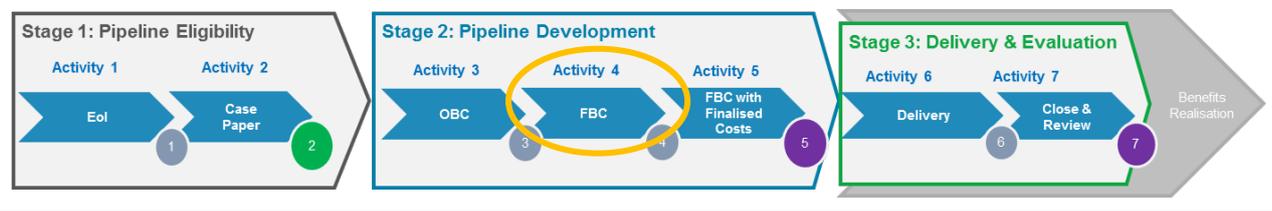
For further information on Combined Authority schemes across the Leeds City Region please refer to: <https://www.westyorks-ca.gov.uk/growing-the-economy/leeds-city-region-infrastructure-map/>

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Section A: Scheme Summary

Name of scheme:	Wakefield South East Gateway- Rutland Mills
PMO scheme code:	CFP-002
Lead organisation:	Wakefield Council
Senior responsible officer:	Jane Brown- Service Manager- Strategic Housing and Regeneration
Lead promoter contact:	James Stephenson
Case officer:	Seamus McDonnell
Applicable funding stream(s) – Grant or Loan:	Local Growth Fund- Grant
Growth Fund Priority Area (if applicable):	Priority 4- Infrastructure for Growth
Approvals to date:	The outline business case was approved in January 2019
Forecasted full approval date (decision point 5):	May 2020
Forecasted completion date (decision point 6):	December 2022
Total scheme cost (£):	£20.574 million
Combined Authority funding (£):	£2.89 million Local Growth Fund The scheme has also secured £1.5 million of Business Rates Pool funding from the Combined Authority. These funds are separate to this FBC.
Total other public sector investment (£):	£7.16 million - Wakefield Council
Total other private sector investment (£):	£9.02 million private developer funding
Is this a standalone project?	Yes
Is this a programme?	No
Is this project part of an agreed programme?	This project is captured in the Housing and Regeneration LGF Call for Projects Programme

Current Assurance Process Activity:

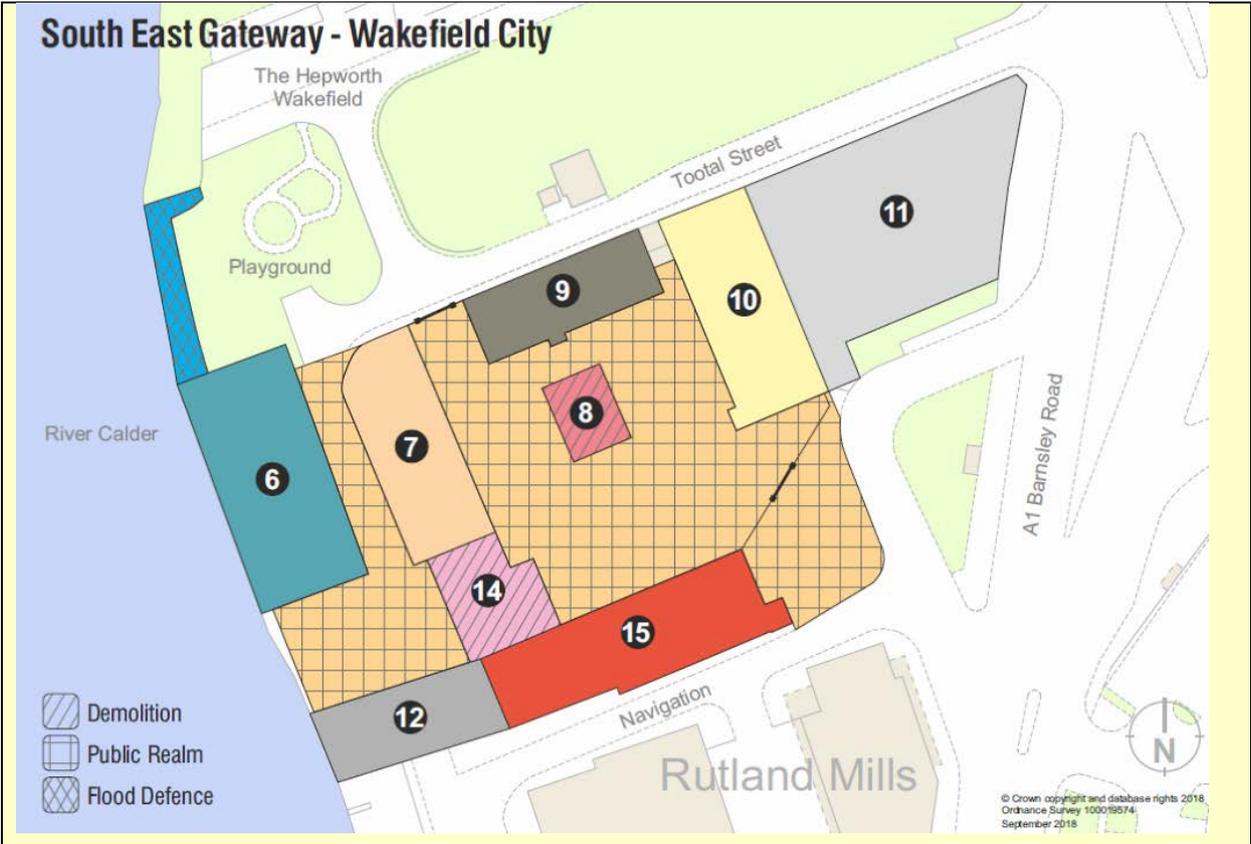


Scheme Description:

Development of the Wakefield City Centre South East Gateway is a key priority for Wakefield Council. This will raise the national profile of Wakefield within the cultural and creative sectors, and help to transform the city's image by redeveloping Kirkgate as a distinct part of the city centre. This will link Wakefield's city centre with the Waterfront and the new Tileyard Studios development at Rutland Mills.

This scheme will assist the next phase of regeneration of the South East Gateway and aims to restore historic buildings. It will establish a high quality public realm at the Waterfront and help to develop a creative industries jobs hub.

The development proposed at Rutland Mills will deliver 6,920 sqm of refurbished commercial space and create or safeguard 219 jobs.

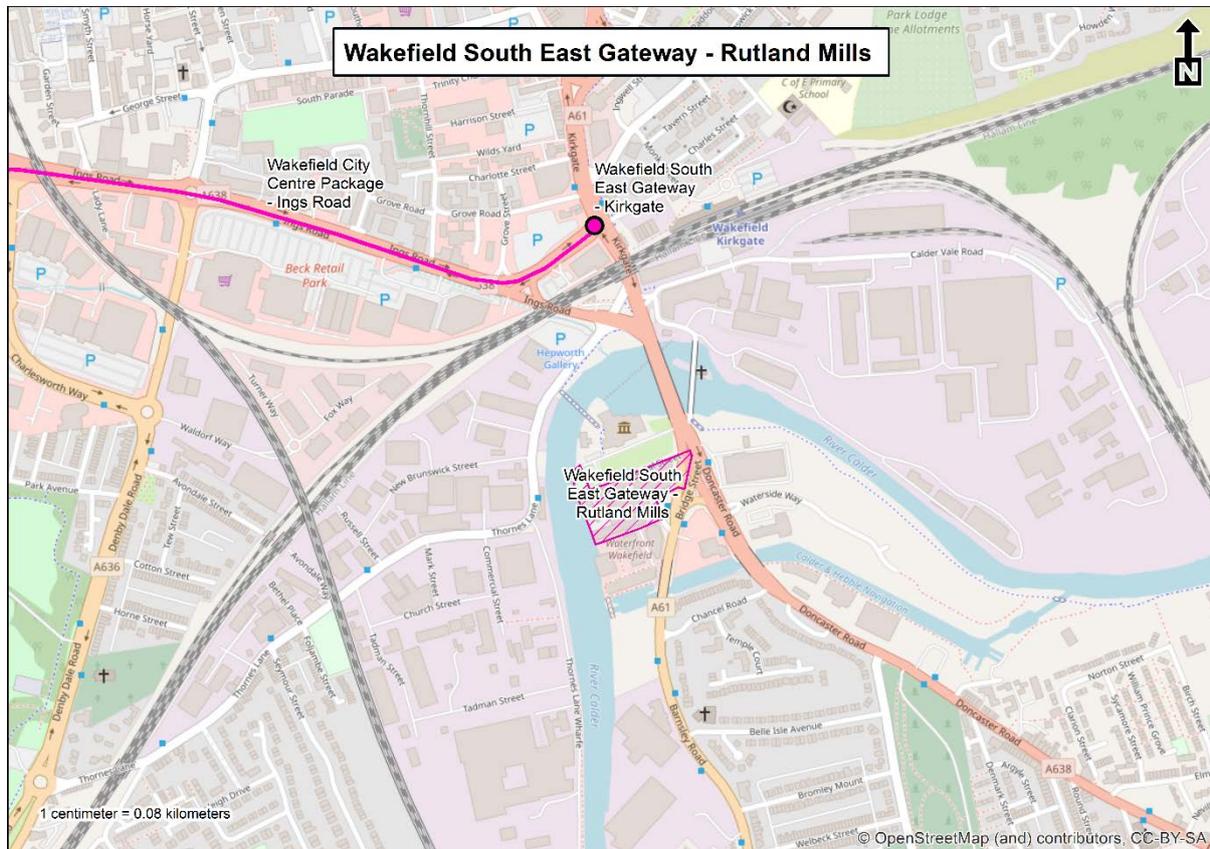


Business Case Summary:	
Strategic Case	<p>At a Leeds City Region level, the individual projects support specific aspects of delivery for all 4 of the SEP Priorities.</p> <p>At a local level, the Rutland Mills project would complement all three core elements of Wakefield Council’s adopted Economic Strategy 2018 – 2023: people, places and businesses.</p> <p>The development would promote growth within the expanding cultural, creative and digital sectors. This would reduce the city’s dependency on sectors and industries that are at high risk from technological automation.</p> <p>The development would create a long-term asset for the city, complementing the Hepworth Gallery and adding to the city’s sense of ‘place’.</p>
Commercial Case	<p>The Tileyard Studios, London concept is proposed for this development. This scheme will provides accommodation for circa 28 different functions under one roof from offices, event space, meeting rooms, recording studios and writing studios along with ancillary and supporting facilities such as cafes, bars.</p>

	<p>Marketing, visual aids and documents have been prepared by the professional team working on the proposed Tileyard, Rutland Mills project, yet replicating the success of the studios in London will be a challenge for the project based in Wakefield.</p>
Economic Case	<p>The options have been appraised on the basis of employment and GVA. Underpinning the analysis is that the increased business space will lead to increased employment and this increase in employment will result in an increase in GVA.</p> <p>The direct outputs produced by the project will essentially be floor-space, the reclamation of land and improvements to property. The developers will manage the facility once it is operational and it is anticipated that the project will create 219 jobs.</p> <p>Wider economic impacts for the city will be in terms an increase in visitor numbers and spend.</p>
Financial Case	<p>The Waterfront project requires a private funding contribution of £9.02 million for the Phase 1 works to be undertaken. These funds will be secured at the point the Grant Funding Agreement is entered into by Wakefield Council and the developer.</p> <p>In addition, Wakefield Council has secured £7.16 million of funding which is aligned to the Waterfront scheme. £2.89 million is requested from the Combined Authority as part of this business case. In addition, the previously secured £1.5 million from the Business Rates Pool will also be allocated to the Waterfront scheme.</p> <p>Total project costs for the Waterfront scheme are £20.57 million.</p>
Management Case	<p>Wakefield Council will adopt an overall programme management role for all aspects of the Rutland Mills scheme and will assume responsibility, being the Accountable Body for funding purposes and ensuring general compliance, due diligence and monitoring of development activity.</p> <p>The identified developer will be responsible for day-to-day project management and delivery of the Rutland Mills element of the scheme.</p> <p>The Joint Project Board will be the ultimate decision making body for major variations to the project. The Project Delivery Group will meet monthly to ensure the project runs effectively. The Project Manager will submit monthly Progress Reports to the Project Delivery Group to enable effective monitoring of progress.</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.

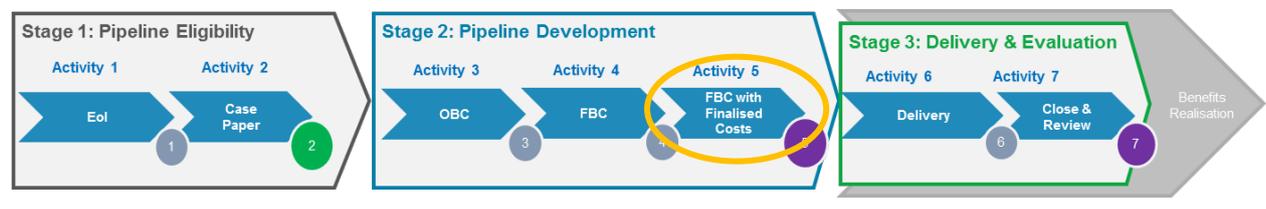
For further information on Combined Authority schemes across the Leeds City Region please refer to: <https://www.westyorks-ca.gov.uk/growing-the-economy/leeds-city-region-infrastructure-map/>

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Section A: Scheme Summary

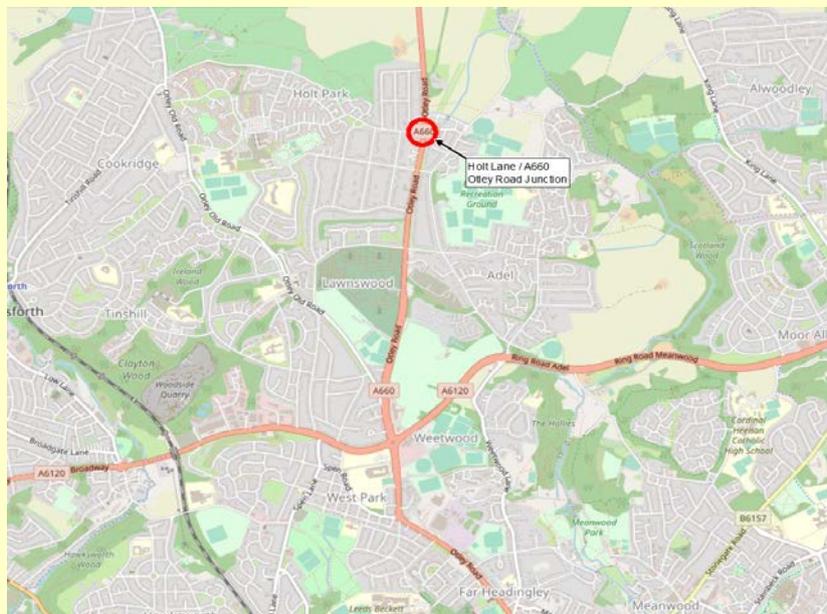
Name of Scheme:	A660 Holt Lane (Junction Upgrade)
PMO Scheme Code:	DFT-LPTIP-002a
Lead Organisation:	Leeds City Council
Senior Responsible Officer:	Gary Bartlett, Leeds City Council
Lead Promoter Contact:	Morgan Tatchell-Evans
Case Officer:	Ian McNichol
Applicable Funding Stream(s) – Grant:	LPTIP
Growth Fund Priority Area (if applicable):	Priority 4 (Infrastructure for Growth)
Approvals to Date:	LPTIP programme approval at decision point 2 (29 th June 2017)
Forecasted Full Approval Date (Decision Point 5):	November 2019
Forecasted Completion Date (Decision Point 6):	January 2020
Total Scheme Cost (£):	£1.150 million
Combined Authority Funding (£):	£1.150 million
Total other public sector investment (£):	£0
Total other private sector investment (£):	£0
Is this a standalone Project?	No
Is this a Programme?	Yes
Is this Project part of an agreed Programme?	Yes (Bus Infrastructure Package)

Current Assurance Process Activity:



Scheme Description:

The proposed junction improvement scheme at the intersection of Holt Lane / A660 Otley Road is located in Adel, north of Lawnswood roundabout, on the northern edge of the built-up area of Leeds. The A660 stretches from Leeds City Centre to Burley-in-Wharfedale, via Bramhope and Otley.



The project development process to date has identified a preferred option for the scheme. The scheme is to replace the current priority junction with a signalised junction with adaptive signals to detect traffic. The enhancement at this location is the signalisation of the junction of the A660 and Holt Lane (with installation of Microprocessor Optimised Vehicle Actuation (MOVA) in order to enable bus priority). The scheme includes provision of three controlled pedestrian crossings, advanced stop line for cyclists, and realignment of parts of the nearby footway and carriageway. In addition, a lay-by for buses will be provided at the current Otley Road Holt Lane bus stop, travelling southbound, to prevent buses docking to collect passengers delaying general traffic.

Business Case Summary:

Strategic Case

The scheme is well linked to the regional economic and transport policy and plans, both in the wider city region and locally in Leeds. The scheme is aligned with tackling transport challenges identified in the SEP that are currently hampering economic growth, business productivity and

	<p>environmental issues related to congestion and over-reliance on the private cars.</p> <p>The strategic aim of the Leeds Public Transport Investment Programme (LPTIP) is to reverse the declining trend in bus patronage by addressing the impact of congestion on bus journey times which is a key driver for this trend.</p> <p>The project will help to deliver the SEP Priority Area 4 (Infrastructure for Growth) of the Leeds City Region Strategic Economic Plan (2016) by creating additional capacity to enable development and helping to achieve the main LCR SEP principle of 'good growth'. The scheme will support fast-paced economic growth across the Leeds City Region by helping to provide an efficient, sustainable, quality public transport system.</p>
Commercial Case	<p>The commercial case for the Holt Lane junction improvements scheme provides evidence that the proposed scheme can be procured, implemented and operated in a viable and sustainable way. The procurement strategy builds on existing experience in the development, design, construction and management of similar improvements in Leeds. It provides reassurance that Leeds City Council are well placed to deliver the facilities, with their commercial procurement to deliver on time and within budget, ensuring the design can deliver multiple objectives, and can be managed and delivered in the least disruptive way.</p> <p>In summary, the commercial case defines the current progress of the commercial aspect requirements of an FBC+ costs. This includes the selection of the contractor/ delivery partner through an OJEU led procurement exercise, the identification of the procurement lead contact who will actively manage the QRA and seek to promote value engineering through the NEC3 contract and risk allocation and transfer.</p>
Economic Case	<p>The economic case provides evidence of how the scheme is predicted to perform, in relation to its stated objectives, identified problems and targeted outcomes. It also defines the options development and further options sifting/ packaging process.</p> <p>The economic appraisal for Holt Lane junction improvements scheme comprises an assessment of the overall, net, monetised, economic worth of the scheme. The Benefit Cost Ratio (BCR) for the scheme is -2.39, as the highway dis-benefit has a large impact on a small scale, low cost scheme.</p> <p>However, given the overall LPTIP programme objectives and the scheme specific objectives there is a clear benefit to the scheme encouraging modal shift away from car to sustainable modes; solving specific bus delay problems through providing bus prioritisation; solving identified safety issues; and encouraging more active mode uptake with improved pedestrian crossings. A sensitivity test which assumes that the overall net impact of the signalisation on general traffic journey times is zero, provides a BCR of 1.19.</p>
Financial Case	<p>The financial case for the Holt Lane junction improvements scheme provides a breakdown of the final project cost components and the time profile for the transport investment. It considers if these capital costs are affordable from public accounts at the times when the costs will arise. It</p>

	<p>also assesses the breakdown of funds by quarter, and considers how secure these funds are likely to be. The total project outturn £1.15 million, to be wholly funded through the WYCA LPTIP funding stream. Finally, the financial case reviews the risks associated with the scheme investment and examines possible mitigation.</p>
<p>Management Case</p>	<p>The management case outlines how the proposed scheme and its intended outcomes will be delivered successfully. Emphasising the successful delivery of previous schemes and drawing on significant gained experience in contract management and project delivery.</p> <p>The management case also gives assurances that the scheme content, programme, resources, impacts, problems, affected groups and decision makers, will all be handled appropriately, to ensure that the scheme is ultimately successful. The project will be managed as part of an overarching LPTIP programme of work.</p> <p>The Holt Lane scheme sits within the management and governance structures established to support the delivery of the LPTIP programme, therefore comprising of both programme and scheme management procedures and processes to ensure effective, on-time, on-budget scheme delivery.</p> <p>The management case outlines the scheme programme which scopes and defines key project elements, allowing the project manager to ensure important milestones, key tasks on critical path and any project dependencies/ constraints do not hinder the delivery of the scheme.</p> <p>The management case demonstrates that the following components have been thoroughly assessed at this FBC +Costs stage:</p> <ul style="list-style-type: none"> • Project planning; • Governance structure; • Delivery constraints and risk management; • Communications and stakeholder management; • Monitoring and evaluation; and • Benefits realisation and assurance. <p>Scheme risks have been continuously updated. Each identified risk is assessed in terms of its impact on cost, time and quality. The probability of the risk occurring was also estimated. Where possible, risks identified have risk allowances determined and these have been used in the costing exercise to determine an appropriate level of contingency.</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/growing-the-economy/leeds-city-region-infrastructure-map/>

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Report to: West Yorkshire and York Investment Committee

Date: 4 December 2019

Subject: Leeds City College, Quarry Hill - Project Update

Director: Marc Cole, Interim Director of Delivery

Author(s): Nicholas Kiwomya

1. Purpose of this report

- 1.1 To update on the current status of the Leeds City College Quarry Hill Skills Capital Project and to consider the options outlined in the exempt **Appendix 1**.

2. Information

- 2.1. The Combined Authority approved a £57m project made up of £33.4m grant and £23.6m College contribution in March 2017. Following the Combined Authority approval, the College Board resolved to increase their budget to £60m. The Combined Authority also granted the College a £6.5m loan in November 2018.
- 2.2. The College finished the main build construction of their new 15,000 sq m facility in July 2019. The Quarry Hill Campus opened to students in September 2019 and the College are currently finishing the final fit-out works to the theatre.
- 2.3. An update on the project is outlined in exempt **Appendix 1**.
- 2.4. Appendix 1 sets out consideration for the completion of the Quarry Hill project and subsequent repayment of the Combined Authority loan.

3. Financial Implications

- 3.1. The financial implications are explained in exempt **Appendix 1**.

4. Legal Implications

- 4.1. The information contained in **Appendix 1**, 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 appendix 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.

6. External Consultees

- 6.1 The College, the College's bank via its solicitors and external legal advisors have been consulted.

7. Recommendations

- 7.1 That the update on the current status of the Leeds City College Quarry Hill Skills Capital Project be noted.
- 7.2 The Investment Committee considers the options outlined in the exempt **Appendix 1**.

7. Background Documents

- 7.1 None

8. Appendices

Exempt Appendix 1 – Leeds City College, Quarry Hill – Detailed project update

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Report to: West Yorkshire and York Investment Committee

Date: December 2019

Subject: **Future Funding Arrangements – Loans**

Director: Melanie Corcoran, Director of Delivery

Author(s): Leanne Walsh, Delivery

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

1. Purpose of this report

- 1.1 To update the West Yorkshire and York Investment Committee on the proposed future approach to business finance and investment management. In particular, to provide an opportunity for the Committee to discuss the draft investment strategy and governance proposals to help inform the finalisation of this document.

2. Information

- 2.1 The Leeds City Region Enterprise Partnership (the LEP) / Combined Authority are currently developing options for a future approach to business finance for the Leeds City Region. Building on the 2018 external review of the Growing Place Fund (GPF), Deloitte were commissioned earlier in 2019 to advise the LEP / Combined Authority on gaps in the regional investment market, potential business finance models and to advise on appropriate and robust procedures prior to launching a new fund.
- 2.2 The first phase of the Deloitte work recommended a number of key propositions to help the LEP / Combined Authority shape a new approach to business finance that could be scaled and adapted over time to meet the changing needs of the city region. This included a ‘single front door’ approach,

and two initial investment products: an Invest to Grow loan and a 'Placemaker' loan.

- 2.3 This report focusses on the second phase of the Deloitte work which has concentrated on what is required to establish and implement this new business finance approach. In particular, the work has focussed on:
- Producing a draft investment strategy which will underpin investment decisions and developing further the initial products;
 - Providing recommendations on the processes and procedures which will best protect any commercial activity that the organisation undertakes, and how assurance and due diligence will be provided;
 - Proposing the roles and responsibilities for an appropriate governance structure and supporting staffing requirements, both at initial launch and for future scaling, which will ensure agile, yet robust and transparent decision making.

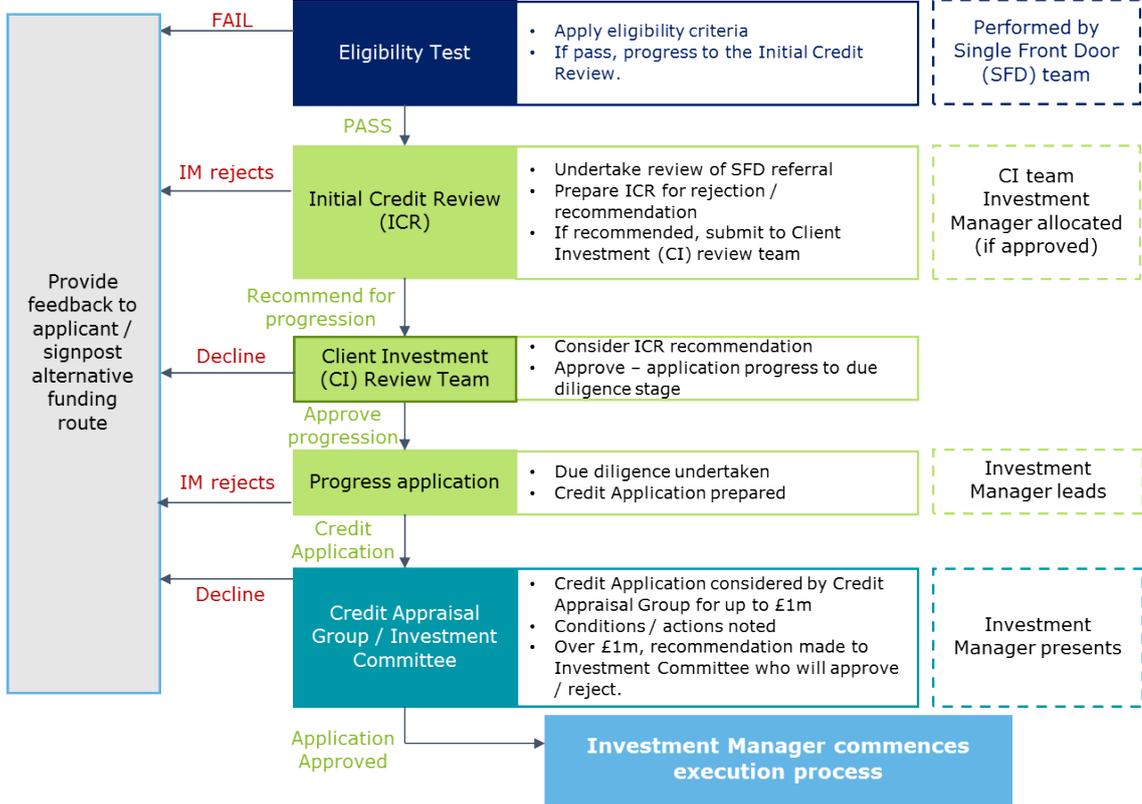
Draft Investment Strategy

- 2.4 The purpose of the Investment Strategy is to guide the implementation and operation of the City Region's future approach to business finance. Deloitte advise that it would be appropriate to launch the loan fund with a small number of initial products and to grow over time to expand the fund with an increased product offer, i.e. the Invest to Grow and Placemaker products mentioned above and further details can be found in the draft Investment Strategy in Exempt Appendix 1.
- 2.5 The draft Investment Strategy in Exempt Appendix 1 is provided for discussion and comment in order to inform next steps. Once finalised, the Investment Strategy will be a public facing document which sets out the LEP / Combined Authority's approach to investments, including but not limited to, minimum and maximum investment thresholds, sectors which will be supported, and investments which will not be considered for ethical reasons. It will provide a transparent methodology for investment decision-making.
- 2.6 The draft Investment Strategy:
- Identifies and defines suitable new products which could form part of the future approach to business finance;
 - Recommends appropriate agile decision making structures required to appraise commercial investment proposals;
 - Details requirements for undertaking robust due diligence for investment with a clear understanding of investment risk;
 - Recommends appropriate governance and monitoring arrangements and sets out parameters for ongoing management of a future funding portfolio; and
 - Builds in scalability for future growth in investment products, or for new products as they arise.

Governance and Decision making

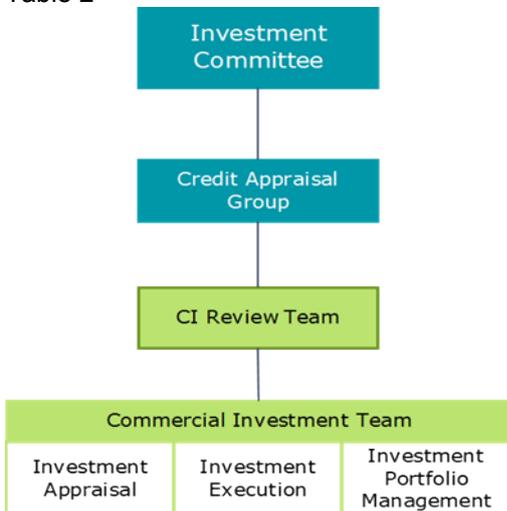
2.7 Section 4 of the draft Investment Strategy suggests proposals for revised governance arrangements once the new loan fund has been launched. Table 1 below highlights the new decision making process proposed by Deloitte which is in line with those across many other loan making institutions.

Table 1



2.8 Table 2 below outlines a potential governance model from Deloitte proposed in line with industry standards. The outline decision making process in table 1 above is currently dependent on this structure being established to enable the approval process to be efficient yet robust.

Table 2



- 2.9 The mechanisms for implementing any required changes to governance and assurance processes will be worked up in further detail once the principles outlined within the draft Investment Strategy have been discussed.

Next Steps

- 2.10 The draft Investment Strategy is being presented to the LEP, Business Innovation and Growth Panel, the West Yorkshire and York Investment Committee and the Business Investment Panel. Over the coming months, feedback from each Board / Panel will be used to build on the advice from Deloitte and to help shape the final Investment Strategy which will be specific to the Leeds City Region's requirements. It is the intention that a final version of the Investment Strategy is brought back to a future meeting of the Investment Committee for endorsement in early 2020.

3. Financial implications

- 3.1 There are no financial implications directly arising from this report.

4. Legal implications

- 4.1 The information contained in **Appendix 1** 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 appendix 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 No external consultations have been undertaken.

7. Recommendations

- 7.1 That the draft Investment Strategy provided in **Exempt Appendix 1**, which will help inform future investment considerations, is discussed and feedback given to inform the finalised version, which will be brought back to Investment Committee for endorsement in early 2020.

8. Background documents

- 8.1 None.

9. Appendices

- 9.1 **Exempt Appendix 1 – Draft Investment Strategy**

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Report to: West Yorkshire and York Investment Committee

Date: 4 December 2019

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

Director: Angela Taylor, Director of 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 two outline applications 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 has since selected projects to progress to full application stage. Round 1 resulted in only one project progressing to full application stage, due to a high attrition rate. This project is now contracted.

- 2.4 A round 2 call for projects was subsequently republished 8 June 2018 and closed 27 July 2018. Round 2 resulted in four out of eight projects progressing to full application stage, due to a high attrition rate. All projects are in the contracting phase.
- 2.5 As funding was still available a Round 3 call was published 10 January 2019, closing 22 February 2019. One outline application was received which was considered by the Combined Authority, as Intermediate Body, in April 2019 and was selected to progress to full application. This full application is now in appraisal and will be presented to the Investment Committee for advice in due course.
- 2.6 Given there was a poor response to the Round 3 call, a further Round 4 call was published 8 April 2019 and closed 28 June 2019. The two outline applications received were presented to the Investment Committee for advice at its meeting in September 2019 and selected by the Combined Authority at its meeting on the 10th October 2019. Following a further review by the MA one of the outline applications has now been rejected on the grounds that it did not meet the value for money and deliverability assessment criteria.
- 2.7 As funding was still available a Round 5 call was published 31 July 2019 and closed 31 October 2019. The call value was for £6.8 million. The two applications received are now presented to the Investment Committee for advice.
- 2.8 The assessments of the two outline applications, Round 5, are attached to this report as **Exempt Appendix 2 and 3** together with a covering note (**Exempt Appendix 1**). The Investment Committee is requested to consider the content of the full assessment and the recommended conditions and provide advice to the Combined Authority, in its role as Intermediate Body, at its meeting on 9 January 2020.
- 2.9 Given funding still remains a further Round 6 Call will be published in January 2020. Funding pipeline is as outlined below;

SUD Call Round	PA3 (SME Competiveness)	PA5 (Climate Change - Flooding)	PA6 (Green / Blue Infrastructure)	Total ERDF sought
2017 - Round 1	£636,065			£636,065
2018 - Round 2	£1,954,380	£3,884,801	£1,555,060	£7,394,241
2019 - Round 3			£737,500	£737,500
2019 - Round 4	£1,867,776		£0	£1,867,776
2019 - Round 5	£1,011,583	£1,472,633		£2,484,216
Value of Pipeline	£5,469,804	£5,357,434	£2,292,560	£13,119,798

Total Allocation	£6,360,135	£5,300,564	£6,360,135	£18,020,835
Remaining allocation – Round 6 Call	£890,331	-£56,870	£4,067,575	£4,901,037

2.10 If any funding remains uncommitted once the call closes, expected to be March 2020, then this money will be moved in to the new national Reserve Fund, set up by MHCLG to manage the remaining ERDF funding across the England programme as well as manage exchange rate fluctuations.

Selection process and the outline assessment form

2.11 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.

2.12 The IB has assessed the outline applications 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?

2.13 In addition the Combined Authority as IB will take into account advice from the Investment Committee to support the MA's assessment of:

2.13.1 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.

2.13.2 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.

2.13.3 Outline assessment forms are designed and owned by MHCLG. The Assessment form is split into five 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).

2.14 Following the Investment Committee's advice, the IB will finalise its assessment and advice to the MA and make its selection decision and forward the form 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

2.15 In line with the agreed IB Conflict of Interest Statement and Operating Protocol the 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 Committee 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 members regarding the assessment as required.

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 (€19.95 million) 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 Appendix 1-3 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 two outline applications, Round 5, for SUD, part of the ESIF Programme, and provide advice to the Combined Authority, in its role as Intermediate Body.

8. Background Documents

- 8.1 None.

9. Appendices

- 9.1 Exempt Appendices 1 - 3:

Exempt Appendix 1 - Summary FINAL

Exempt Appendix 2 - Erringden Hillside: Flood Alleviation Scheme OA FINAL

Exempt Appendix 3 - Shillinghill Lane SME units OA FINAL

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

Present:

Councillor Judith Blake CBE (Chair)
Councillor Darren Byford
Councillor Peter McBride
Councillor Alex Ross-Shaw
Councillor Jane Scullion
Michael Allen
Colin Glass OBE
Jonathan King
Gareth Yates

Leeds City Council
Wakefield Council
Kirklees Council
Bradford Council
Calderdale Council
NatWest Bank
WGN
Medusa Holdings Ltd
Ward Hadaway

In attendance:

Neville Baldry
Carl Wright
Vincent McCabe
Kate Thompson
Henry Rigg
Phil Cole
Lorna Holroyd
Neill Fishman
Chris Brunold
Tony Corby
Lauren Thomas
Megan Hemingway

Clive Owen
Clive Owen
West Yorkshire Combined Authority
West Yorkshire Combined Authority
West Yorkshire Combined Authority
Leeds City Council
West Yorkshire Combined Authority
West Yorkshire Combined Authority

27. Apologies for absence

Apologies for absence were received from Councillor Shabir Pandor, Councillor Graham Swift, Marcus Mills and Simon Wright.

28. Declarations of disclosable pecuniary interests

Michael Allen disclosed a disclosable pecuniary interest in relation to Business Growth Programme item 6, Exempt Appendices 1 and 2.

29. 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 of Agenda Item 5, Appendices 1 & 2 of Item 6, Appendix 1 of Agenda Item 7 and Appendix 1 of Agenda Item 8 on the grounds that they are 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.

30. Minutes of the meeting of the Business Investment Panel held on 9 October 2019

Resolved: That the minutes of the Business Investment Panel held on 9 October 2019 be approved and signed by the Chair.

31. 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).

The Panel considered the new grant application outlined in 3.1 and detailed in exempt Appendices 1 and 2.

Members considered the utilisation of Disadvantaged Workers as a State Aid route to support projects, as outlined in exempt Appendix 3 and presented by guests from Clive Owen.

Resolved:

- (i) That the Panel noted the SIIF progress report.
- (ii) That the Panel considered and recommended for approval the grant application outlined in 3.1 and attached at exempt appendices 1 and 2.
- (iii) That members comments were noted in regard to the utilisation of Disadvantaged Workers as a State Aid route to support projects.
- (iv) That the Panel recommended that the Disadvantaged Workers, State Aid route be utilised to support future projects.

32. Business Growth Programme

The Panel considered a report to outline the current position regarding progress in committing grants through the Leeds City Enterprise (the LEP) Business Growth Programme (BGP).

Panel members considered the grant applications outlined in paragraph 3.1

and detailed in exempt Appendices 1 and 2. Michael Allen left the room for this discussion.

It was noted that an objection was raised in principle as to funding movement of jobs from one area of the Leeds City Region to another.

Resolved:

- (i) That the Panel noted the progress report.
- (ii) That the Panel considered and recommended for approval the grant application detailed in 3.1 and attached at exempt Appendices 1 and 2.

33. Growing Places Fund loans update

The Panel considered a report which provided an update on the progress in committing loans through the Leeds City Enterprise Partnership (the LEP) Growing Places Fund (GPF).

It was reported that additionally there would be a further 90 homes to be added to the total benefits achieved by next panel meeting. Members also noted that over £17 million capital had been repaid to date.

The panel was updated on the progress of one project (project 315) with changed circumstances, attached at exempt Appendix 1.

Resolved:

- (i) That the update on progress on the Growing Places Fund be noted.
- (ii) That the information provided in exempt Appendix 1 on the changed circumstances and financial implications of project 315 be noted; and that both the sub-group members' and the panel's feedback be noted.

34. Future Funding Update

The Panel was provided with an update on work on future plans for grants and loans activity which Deloitte are progressing on behalf of the Combined Authority.

Following discussions at the Business Investment Panel on 30 April, 12 July 2019 and 5 September 2019, work has continued on the future plans for grants and loans proposals and Deloitte are now advising on the shape of an Investment Strategy and the processes and procedures which need to be considered in order to aid robust and agile due diligence and decision making in respect of investment applications, once a new fund is launched in early 2020/21 Financial Year.

The draft strategy in exempt appendix 1 was considered by members. It will now go to the November 2019 Leeds City Region Enterprise Partnership (The LEP) Board and is then anticipated to come back to panel in early 2020.

Resolved:

- (i) That the Panel noted the update and progress on work and future plans.
- (ii) That the Panel considered the draft Investment Strategy provided in exempt appendix 1 and that their comments and feedback be noted.

35. Date of next meeting

The date of the next meeting will be on 3 December 2019 at 11am, in Committee Room A, Wellington House Leeds.