

Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 6 June 2019

Subject: **Capital Programme (Investment Committee)**

Director: Melanie Corcoran

Author(s): Lynn Cooper

1. Purpose of this report

- 1.1 To update the LEP Board on the year end performance of the West Yorkshire Combined Authority's capital programme and to provide an update on the progress of the Growth Deal including the Transport Fund.

2 Information

Capital Programme

- 2.1 Table 1 below summarises total expenditure on the capital programme in 2018/19 against the revised outturn forecast.

Table 1

| Capital Programme | 2018/19 Outturn Forecast | Actual Expenditure 2018/19 | % |
|---|---|---|--------------|
| Growth Deal (including West Yorkshire Transport Fund) | £102,080,000 | £91,799,121 | 89.9% |
| Leeds Public Transport Investment Programme | £10,115,000 | £10,412,417 | 102.9% |
| Local Transport Plan Integrated Transport Block and National Productivity Investment Fund | £8,081,000 | £11,898,395 | 147.2% |
| Highways Maintenance Block and Highways Incentive Fund | £28,442,000 | £28,442,000 | 100.0% |
| Pothole Action Fund / Highways Flood Resilience | £9,267,000 | £4,406,000 | 47.5% |
| Cycle City Ambition Grant | £8,500,000 | £12,508,418 | 147.2% |
| West Yorkshire Cycling and Walking Fund | £1,304,000 | £1,290,385 | 99.0% |
| Cycle Safety Grant | £470,000 | £0 | 0.0% |
| CCAG Top Up | £210,000 | £0 | 0.0% |
| Clean Bus Technology Fund | £1,368,000 | £0 | 0.0% |
| Ultra Low Emissions Vehicles | £978,000 | £14,978 | 1.5% |
| West Yorkshire Broadband - contracts 2 & 3 | £5,769,000 | £5,728,400 | 99.3% |
| Growing Places Fund | £1,350,000 | £1,526,346 | 113.1% |
| Warm Homes | £1,369,000 | £1,192,329 | 87.1% |
| Corporate Projects | £1,905,000 | £419,473 | 22.0% |
| Other Miscellaneous Capital Spend | £0 | £551,094 | n/a |
| Total | £181,208,000 | £170,189,355 | 93.9% |

2.2 The Combined Authority has a total capital spend of £170.19 million in 2018/19 representing 93.9% of the revised forecast outturn. This compares well with 2017/18 where spend against revised forecast outturn was 86.0%. This shows a positive improvement in delivery across all programmes which, as previously reported, has been acknowledged by Government on Growth Deal which has been rated as ‘Good’ on delivery

Growth Deal Programme

Expenditure

- 2.3 The Growth Deal programme spend is reported to Government under two categories:
- **Expenditure** – This is the total Local Growth Fund (LGF) monies spent by project sponsors on their projects. In 2018/19 the expenditure on the programme totals £94.89 million.
 - **Outturn** - The total LGF funds transferred to project sponsors by the Combined Authority (this specifically includes pre-payments to project sponsors where projects are in contract and / or eligible expenditure falls across two financial years). In 2018/19 outturn totals £91.80 million (as shown in Table 1 above).

2.4 The Government evaluate performance of spend on the programme using Expenditure. In 2018/19 the expenditure on the programme (in accordance with the above category) is £94.89 million, 92.9% of target. The Growth Deal dashboard which details each project within the programme is attached at **Appendix 1**.

Performance

2.5 The Growth Deal programme is on track to deliver against forecast outputs. Table 2 below details the target outputs for the Growth Deal programme and summarises the forecast outputs collated from individual projects

Table 2

| Output | Target (includes Growth Deals 1, 2 and 3) | Achieved to end 2018/19 | 2019/20 | 2020/21 | 2021-25 | Total |
|---|---|-------------------------|--------------|--------------|--------------|--------------|
| New jobs | 19,595 | 7,618 | 1,905 | 3,672 | 6,725 | 19,920 |
| Jobs safeguarded (flood resilience programme) | 11,100 | 22,000 | 2,732 | 1,116 | 2,769 | 28,617 |
| Houses | 2,300 | 346 | 213 | 1,168 | 2,124 | 3,851 |
| Public / private investment (match funding) | £1,031,000,000 | £484,693,732 | £239,013,998 | £115,345,680 | £118,742,927 | £957,796,337 |

2.6 Based on current project forecasts, the new jobs output target is expected to be achieved by the monitoring deadline of 2024/25. The jobs safeguarded target relates only to the flood resilience programme. This target has already been achieved in full by the Leeds Flood Resilience project. Whilst public/private investment (match funding) is not currently forecast to achieve the target there is confidence that once further project forecasts are added to the above table this target will be achieved in full.

- 2.7 The target for new houses is 2,300 the achievement of this is more challenging within the timescale. Whilst housing sites are being enabled using the Growth Deal monies (Priority 4a Housing and Regeneration) these sites still need to be developed with new housing and this is subject to market conditions and private sector delivery. Housing forecasts are expected to be achieved by the Housing and Regeneration projects and **Appendix 2** sets out the forecasts against each site. A number of Transport Fund projects will also enable housing development and these targets will be included once they are agreed on each project.

Cities and Local Growth Unit Data Submission

- 2.8 As previously notified each quarter a return is made to CLoG through its data capture system which collates Growth Deal programme information. CLoG has requested that this dashboard should be endorsed by the LEP Board each quarter. The dashboard for quarter 4 2018/19 was submitted in accordance with the deadline on 24 May 2019. As the LEP Board did not meet before this the submission deadline it was signed off by the Combined Authority Section 73 Officer. The dashboard is now attached as **Appendix 3** for consideration and endorsement of the LEP Board.

Project Delivery 2019/20

- 2.9 The attached **Appendix 4** provides a breakdown of all projects within the programme identifying those completed by the end of 2018/19 and those due to start in 2019/20. To date 22 projects have been completed 14 (64%) of these are economic development projects, the remaining eight (36%) are Transport Fund projects.
- 2.10 It is currently expected that 24 Growth Deal projects will commence delivery in 2019/20, these have a combined project value of £258 million. As the Growth Deal programme moves forward spend shifts from being mostly on economic development projects over to Transport Fund projects. 16 of the 24 projects due to commence in 2019/20 are Transport Fund projects, these have a total value in excess of £210 million (81% of the total £258 million of projects due to commence in 2019/20).
- 2.11 Activity on the Enterprise Zones is also beginning to increase with a further two sites expecting to start on site in 2019/20, delivering an additional 575,500sqft of commercial floor space to that already completed. These two projects have a total value of £9.87 million (also included in the £258 million total).

West Yorkshire plus Transport Fund

- 2.12 The West Yorkshire plus Transport Fund is the largest element of the Growth Deal receiving £280.90 million of the £516.35 million allocated to the LEP over the six years of the programme. Significant progress has been made in 2018/19 across the Transport Fund in accelerating projects and moving

projects towards decision point 5 (full business case approval plus final costs), the point at which the scheme is ready to commence on site.

2.13 Work on site is currently underway or was completed in 2018/19 on the following schemes:

- A629 (Phase 1A) - Jubilee Road to Free School Lane (complete)
- East Leeds Orbital Route – Outer Ring Road Junctions (complete)
- Rail Parking Package - Mirfield A (complete)
- Wakefield City Centre Package (Phase 1) – Kirkgate (complete)
- York Northern Outer Ring Road - Phase 1 (Wetherby Road) (complete)

2.14 A further circa £200 million of schemes have reached, or are expected to reach, decision point 5 in 2019/20. This will enable the start on site of:

- A629 (Phase 1B) - Elland Wood Bottom to Jubilee Road
- A650 Hard Ings Road (Phase 1) - Hard Ings Road Only
- Corridor Improvement Programme - Leeds - Dawsons Corner
- Corridor Improvement Programme - Leeds - Fink Hill
- Corridor Improvement Programme - Leeds - Dyneley Arms
- Glasshoughton Southern Link Road
- Harrogate Road - New Line
- Leeds ELOR and North Leeds Outer Ring Road (main contract)
- Leeds Station Gateway - New Station Street
- Rail Parking Package – at Garforth, Moorthorpe, Mytholmroyd, Outwood, and Steeton and Silsden
- West Yorkshire Integrated UTMC
- York Central Access Road and Station Access Improvements
- York Northern Outer Ring Road - Phase 2 (Monks Cross)

2.15 The Your Voice consultation pages on the Combined Authority website have provided a central location for public consultations on Transport Fund projects, essential for developing proposals for the following projects to date:

- [Connecting Leeds Bradford Airport](#)
- [Major Transport Improvements A629 Halifax - Huddersfield](#)
- [West Bradford Junction Improvement Scheme](#)
- [Bradford Shipley Route Improvement Scheme](#)
- [Leeds New Station Street Improvement Works](#)
- [A62/A644 \(Wakefield Road\) Link Road](#)
- [A62 Leeds Road - Huddersfield Town Centre to Old Fieldhouse Lane](#)
- [Calderdale Corridor Improvement Programme](#)
- [Major Road Improvements A629 Calder and Hebble Junction](#)
- [Thorpe Park Rail Station](#)
- [Elland Rail Station](#)
- [Major Road Improvements A629 Huddersfield to Ainley Top](#)
- [Castleford Rail Station](#)
- [Holmfirth Town Centre Access Plan](#)

3. Financial Implications

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

4. Legal Implications

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

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 It is recommended that the LEP Board:

- Notes the year end performance of the Combined Authority Capital Programme and the progress in implementing the Growth Deal including the Transport Fund.
- Considers and endorses the CLoG monitoring dashboard for sign off by the LEP Chair.

8. Background Documents

8.1 None.

9. Appendices

Appendix 1 – Growth Deal Dashboard Year End 2018/19

Appendix 2 – Housing Outputs

Appendix 3 – Growth Deal CLoG Monitoring Dashboard Year End 2018/19

Appendix 4 – Growth Deal Summary of Projects Complete and Commencing