

Independent Evaluation of Local Growth Interventions

One Year Out Report for the Leeds City
Region – Executive Summary

21st March 2019

SQW

Executive Summary

1. This is the One Year Out Report for the evaluation of the Leeds City Region (LCR) Investment Fund, known as the West Yorkshire Plus Transport Fund (WY+TF). The purpose of this report is to:
 - provide an update on the progress in delivery of the LCR Investment Fund around a year in advance of the Gateway Review (March 2020)
 - identify any issues that need to be addressed in advance of the final evaluation
 - confirm the approach and timing of the research for the final evaluation, which will take place between April and December 2019.
2. The One Year Out Report draws on monitoring data on expenditure, outputs and outcomes provided by the Combined Authority, consultations with 10 project managers of all 19 interventions in scope of the evaluation¹ and the Combined Authority's programme management team during December 2018 and January 2019.

Delivery progress

3. The Local Growth Interventions (LGI) evaluation covers 19 interventions supported by the LCR Investment Fund. Of these interventions at this One Year Out Report stage:
 - Five have been completed - three Rail Parking Packages (South Elmsall; Mirfield A; and Fitzwilliam Country Park), the Aire Valley Park and Ride, and the Wakefield Eastern Relief Road (WERR)
 - 10 projects are recorded as currently in progress in the monitoring data (although there is considerable variation in progress made within this category. For example, Hebden Rail Parking Package has involved preparatory work and is now expected to start construction in Spring 2019, whereas the construction of Wakefield City Centre Package Phase 1 Kirkgate, and the A629 Phase 1a, are now complete)
 - Four Rail Parking Packages are due to begin delivery shortly (Mytholmroyd), in summer 2019 (Steeton & Silsden), and in late in 2019 (Normanton, Shipley)
4. By the end of September 2018, the 19 interventions within scope spent a total of £83.55m, which was slightly above expectations by that stage. Over the last six months in particular, the volume of work undertaken – and therefore expenditure - has increased notably. The data covering expenditure for all 54 interventions in the Investment Fund shows a total spend of £97.2m by the end of Q2 in 2018/19. By Gateway Review 1, the Investment Fund is projected to spend £197.6m across all 54 interventions, out of a total fund of £943.9m.
5. Data on outputs is available for seven of the 19 projects, which includes:
 - The City Centre Kirkgate package and Wakefield Eastern Relief Road projects, which have led to 1.2km of enhanced road and eight junction improvements at Kirkgate, and

¹ 19 of all 54 projects covered by the Investment Fund

16.5km of new pedestrian/cycle routes and 5.5km of new road developed via the Wakefield Eastern Relief Road.

- Rail parking packages for South Elmsall, Fitzwilliam Country Park and Mirfield have been completed; the physical outputs are 177 new rail parking spaces in total.
 - The Aire Valley Park & Ride, which has created 1000 park and ride spaces
 - The A629 Jubilee Road to Free School Lane, which has created 2.5km of pedestrian/cycle routes/road enhancements and 2.5 construction years of employment.
6. However, in many cases, outputs are tied to the completion of construction activities, so will not report until delivery is complete.

Project level progress, implementation issues and enabling factors

7. Overall, good progress has been reported for many of the interventions. Where construction has already commenced, most projects have progressed as planned with few issues and minor slippage on start dates (e.g. Leeds Aire Valley Park and Ride, Rail Parking Packages in South Elmsall and Fitzwilliam Country Park, Wakefield City Centre Package Phase 1 at Kirkgate and Wakefield Eastern Relief Road). Other projects have encountered delays during the feasibility and preparatory stage, but many are now starting to build momentum (e.g. Harrogate Road New Line and A650 Hard Ings Road, and Hebden Bridge and Mytholmroyd Rail Parking Packages). Extended feasibility issues for some of the rail parking packages mean these are now expected to commence construction in mid/late 2019 (e.g. Normanton, Shipley, Steeton and Sildsen Rail Parking Packages). In the case of the York Northern Outer Ring Road, delivery timescales will be revised when the decision is made on whether the project becomes part of a larger scheme currently being considered by DfT for dualling/grade separated junctions. The Investment Fund contribution would then be made alongside other national funding, with the potential for a part share of larger outputs, and some economies in delivery. This will not be confirmed until the end of March 2019.
8. The two substantive challenges faced by a number of projects to date have been (i) land acquisition issues, and (ii) experience and capacity constraints in some parts of the city region. In terms of land acquisition, a considerable amount of time and resource has been invested in public engagement and consultation, addressing objections, preparing for potential public inquiries and complex legal and financial issues associated with relocating occupiers across a number of projects. This has caused considerable delays, but lessons learned from these experiences have informed subsequent projects. With regard to capacity, some areas have found it more difficult than expected to deliver multiple, large-scale capital projects, and some have lacked the in-house capacity required to progress projects as planned. That said, some parts of the city region were proactive in scaling-up project management/delivery capacity at the start of the programme, and in engaging external advice/support when required. Other delivery issues have included minor construction challenges, unexpected site conditions and land contamination, securing the timely co-operation of Network Rail and contractors going into liquidation.

9. Several factors have also facilitated or accelerated the progress of projects towards their intended outputs/outcomes, including close communication with external stakeholders and contractors, strong alignment with local masterplans and visions, local drive and leadership, dedicated management functions with sufficient capacity and skills sets, and effective programme management, sequencing and phasing (including the phasing of projects in order to accelerate delivery and spend). External drivers have also played a role in two projects, providing fixed deadlines for completion.
10. There have also been benefits associated with delivering the projects under one programme, particularly around sharing lessons, which is already enabling other projects to be delivered more effectively.
11. Looking forward, the Combined Authority has observed a substantial increase in the number of business cases coming forward in the last 18 months which should mean that expenditure and activity will ramp up as the programme moves towards Gateway Review 1. Overall this is positive, but there is some concern regarding the scale of activity that could take place in a short timeframe and whether there is sufficient capacity in the market place to deliver, across the Leeds City Region. The Combined Authority is playing a coordinating role (for example, in making links and flagging issues) and is encouraging sponsors to consider the sequencing and phasing of schemes where possible.
12. The Combined Authority now has an up and running Portfolio Information Management System (PIMS) which holds and reports information on the latest position. Claims are made directly through the system, and this has helped to provide consistent view of spend reporting and forecasting, approvals, decision points and key milestones.

Planning for the final evaluation

13. The final evaluation will inform the first Gateway Review of the fund, which will be completed by Government by the end of March 2020.
14. The final evaluation will involve the following workstreams:
 - Impact evaluation for Aire Valley Park and Ride, South Elmsall, Fitzwilliam and Hebden Bridge² Rail Parking Packages, and Wakefield's Eastern Relief Road and City Centre Package Phase 1 at Kirkgate. This will involve pre- and post-assessment of changes in transport behaviour, case-based research drawing on primary research with stakeholders, developers, users and local businesses to assess the wider economic benefits, and an analysis of secondary datasets.
 - Progress evaluation for the other projects within scope, which will involve an analysis of monitoring data and consultations with the project managers and Combined Authority.
 - Complementary workstreams, which include second waves of the online survey of partners and in-depth strategic consultations, two more detailed case studies, and a

² Normanton may also be included, depending on progress made this year.

review of actual economic returns to provide a contextual backdrop to the findings from the work above.

15. The final evaluation will start in April 2019, with the majority of fieldwork being undertaken over the Spring/Summer and reporting in the Autumn. A final report is required by December 2019.