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**Report to:** West Yorkshire and York Investment Committee

**Date:** 7 January 2021

**Subject:** **Capital Spending and Project Approvals**

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**Director:** Melanie Corcoran, Director of Delivery

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## **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 Impact of COVID-19**

- 2.1 The full implications of COVID-19 on the region and its economy and transport system are still to be understood and the impact on our programmes and schemes has been mixed. The schemes that were due to start in the first half of 2020/21 have experienced delays due to variety of factors, therefore, during schemes' business case development and appraisal process we are working closely with our council partners to ensure that the delivery timescales reflect the current issues and schemes are actively stress tested to ensure ongoing viability.
- 2.2 In the wake of COVID-19 it is more important than ever to assess the changes to the landscapes of our towns and cities and the impact on current and future planned schemes, particularly, but not exclusively, those relating to transport. The impact of COVID-19 in relation to travel behaviour into and around towns and cities will be assessed as part of scheme appraisal. However, the business cases for some schemes in this report, were developed prior to COVID-19 and aim to address issues identified prior to lockdown restrictions. Therefore, the data presented for some schemes in this report, for example,

expected increases in passenger numbers, reflects the pre COVID-19 position. Although it is generally expected that in the medium and long term behaviours will return to pre COVID-19, as scheme business cases develop further, assumptions will be re-tested.

### **3 Integrated Clean Growth**

3.1 The Combined Authority has taken action to ensure all decisions we make include Climate Emergency considerations. The Combined Authority:

- Has strengthened how clean growth and climate change impacts are considered as part of all schemes that come through the Combined Authority's Assurance Framework.
- Requires LEP and the Combined Authority reports to include clean growth / tackling the Climate Emergency implications, including qualitative impact assessments.

3.2 To fully strengthen decision making across the whole of the Combined Authority's Assurance Framework a robust, quantifiable methodology and tool for assessing all new schemes predicted carbon emissions/wider clean growth impacts is being developed. Plans for the use of the toolkit will be reported to the Combined Authority. The toolkit will be used to assess schemes currently going through the assurance process from early 2021, with results from these assessments expected by June 2021. At the same time, the tool will be incorporated into the assurance framework so that it can be used to assess future proposals as they progress through the assurance process. This part of the commission will involve a significant training element to ensure carbon assessment is properly embedded in the assurance process. It is anticipated that the commission will be completed by summer 2021. A more detailed report will be presented to the February Combined Authority meeting with regards the Phase 2 Carbon Impact recommendations, which will set out the proposed changes to our business case processes for appraising carbon.

3.3 Clean growth, including climate change, impact assessment / considerations are all now included in all Capital Spending and Project Approvals reports. This ensures that the business cases now reflect the Leeds City Region Climate Emergency priority and evidence that they will reduce carbon emissions (both directly and indirectly).

### **4 Report**

4.1 This report presents proposals for the progression of 6 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 £96.061 million when fully approved, of which the total value of £40.859 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.

4.2 The assurance process is a three stage approach 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 (Strategic outline case) and 5 (Full business case with finalised costs), with the requirement to meet the intervening activities deemed on a project by project basis.



### Projects in stage 1: Eligibility

- 4.3 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, a long list of options will be considered with a shortlist being presented in the Strategic outline case (SOC). Consultation at this stage will be limited, but will be a key to the next activity, outline business case (OBC) in Stage 2. At this stage, funding may be sought to enable work to progress on the OBC.

### Projects in Stage 2: Development

- 4.4 Projects at this development stage should demonstrate that they have tested the feasibility of a solution through their business case and that the necessary consultations have taken place. This business case should then be developed in order to confirm and detail the preferred solution including finalising its cost and obtaining the necessary statutory approvals. At this stage, funding may be sought to enable work to progress on the Full Business Case (FBC) and Full Business Case with Finalised Costs (FBC+).

### Projects in Stage 3: Delivery and Evaluation

- 4.5 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.
- 4.6 Further 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.

### **Value for Money - Benefit Cost Ratios**

- 4.7 The Benefit to Cost Ratio (BCR) for some of the schemes in this report potentially represent low value for money, when assessed using the Department for Transport's Transport Appraisal Guidance TAG on the appraisal of transport schemes.

- 4.8 This is because whilst calculating benefits to costs of a transport scheme there are many more journeys made by car than are made by bus, cycling and walking and as a consequence the monetised benefits arising from improvements to bus, cycling and walking journeys may be outweighed by the monetised dis-benefits to car users.
- 4.9 However, a key strategic objective of investment is to encourage modal switch to more sustainable modes and therefore whilst the 'core' BCR (i.e. following Green Book guidance on total impact on the society as a whole) for some schemes may be low, discounting the dis-benefits to car users from the appraisal will result in a higher BCR and where possible this 'range of BCR' will be presented to support decision making. This is in line with HM Treasury guidance where appraisal should take account of all five cases (strategic, commercial, economic, financial and management) and the economic case be balanced with these.
- 4.10 The Department for Transport (DfT) and Her Majesty's Treasury (HMT) are currently undertaking a review of these approaches and are aware of the issues. Until the review is complete, the Combined Authority will continue to follow national guidance, which is also reflected in the Leeds City Region Assurance Framework.

<p><b>Scheme</b> <b>MCA Digital</b></p>	<p><b><u>Scheme description</u></b></p> <p>The Corporate Technology Programme (CTP) has now largely ended. It has been implementing the recommendations of Corporate Technology Strategy (CTS) to enable the Combined Authority to become a Digital First organisation via innovative technologies allowing it to evolve its culture, organise teams, create internal processes and support these activities with flexible, modern systems.</p> <p>Despite the success of CTP, the Combined Authority still requires further work to become a truly Digital First organisation.</p> <p>This MCA Digital Programme will address this by delivering 13 additional projects including digitisation, security and information management, cloud infrastructure, customer relationship management (CRM), data platform service management system, network infrastructure, disaster recovery, call centre technologies, location intelligence and asset management and services.</p> <p>The scheme will be funded by the Combined Authority from borrowing or the use of capital receipts.</p> <p><b><u>Impact</u></b></p> <p>This is an internal business change programme rather than an investment designed to create economic growth in the region, but this programme will reflect the ethos and aspirations of the Combined Authority and have a transformational contribution towards achieving MCA readiness and One Organisation objectives.</p> <p><b><u>Decision sought</u></b></p> <p>Approval to proceed through decision point 2 (Strategic Outline Case) and work commences on activity 5 (Full business case plus finalised costs).</p> <p>Total value of the scheme - £1.97 million</p> <p>Total value of Combined Authority funding - £1.97 million</p> <p>Funding recommendation sought - £0.156 million</p> <p>A recommendation to the Combined Authority is sought as part of this report.</p>
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<p><b>Scheme</b></p> <p><b>One City Park</b></p> <p>Bradford</p>	<p><b><u>Scheme description</u></b></p> <p>One City Park is a proposed commercial development scheme in Bradford City Centre that will deliver over 5,000m<sup>2</sup> of high quality (“Grade A”) office accommodation, support the creation of new jobs and support the wider regeneration of the city centre.</p> <p>The scheme will be funded from the Getting Building Fund (GBF). This scheme was originally included in the Local Growth Fund (LGF), but due to LGF expenditure timescales the grant works could not be delivered in time and is now brought forward through the GBF programme.</p> <p><b><u>Impact</u></b></p> <p>The scheme has the potential to generate up to 452 new jobs (gross) through the occupation of new commercial floorspace as well as up to 300 FTE jobs during the construction phase.</p> <p>The City of Bradford Metropolitan Council has committed to achieving a BREEAM Excellent accreditation for the completed development and has secured Social Value commitments through its delivery contracting structure to support the local supply chain.</p> <p><b><u>Decision sought</u></b></p> <p>Approval to proceed through decision point 4 (Full business case) and work commences on activity 5 (Full business case plus finalised costs).</p> <p>Total value of the scheme - £28.789 million</p> <p>Total value of Combined Authority funding - £7.5 million</p> <p>Funding recommendation sought - £1.909 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>
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<p><b>Scheme</b></p> <p><b>Corridor Improvement Programme Phase 1: Huddersfield Southern Corridors</b></p> <p><b>Scheme Location</b></p> <p>Kirklees</p>	<p><b><u>Scheme description</u></b></p> <p>The Huddersfield Southern Corridors (HSC) scheme is part of the West Yorkshire plus Transport Fund (WY+TF) Corridor Improvement Programme (CIP). This scheme aims to reduce peak time congestion and remove barriers impacting growth by delivering transport infrastructure improvements along key strategic corridors.</p> <p>The HSC scheme will deliver strategic interventions at four locations south of Huddersfield town centre. They are Longroyd Lane arm of the A62, Lockwood Bar at the A616, Queensgate, and Folly Hall junction with the A616</p> <p>The scheme will be funded from the West Yorkshire plus Transport Fund</p> <p><b><u>Impact</u></b></p> <p>Scheme delivery will support the CIP objective of reducing journey times by 8% for all general modes of traffic. Modelling suggests a reduction to journey times of up to 20% for all modes of traffic types of traffic on the A616, A62, and Longroyd Lane could be achieved.</p> <p>Through public space and active travel (walking &amp; cycling) infrastructure enhancements, the scheme will support the delivery of a more sustainable and attractive transport network, encouraging modal shift from the car to walking and cycling.</p> <p>The value for money assessment reflects a benefit to cost ratio of 7.9:1, corresponding to a very high value for money classification when assessed against the Department for Transport's value for money criteria.</p> <p><b><u>Decision sought</u></b></p> <p>Approval to proceed through decision point 4 (Full business case) and work commences on activity 5 (Full business case plus finalised costs).</p> <p>Total value of the scheme - £13.57 million</p> <p>Total value of Combined Authority funding - £10.42 million</p> <p>Funding recommendation sought - £0 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>
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<p><b>Scheme</b></p> <p><b>Parry Lane Enterprise Zone</b></p> <p>Bradford</p>	<p><b><u>Scheme description</u></b></p> <p>Parry Lane is located to the south east of the Bradford Business Development Zone. It is well connected to transport links and will provide excellent opportunities for companies in north, east and south Bradford. This scheme will provide necessary enabling works for the development of the Parry Lane site into a regional Enterprise Zone (EZ), with an overall objective of unlocking, enabling, and accelerating site development to deliver economic growth.</p> <p>This scheme will enable commercial development by carrying out de-risking works, including significant groundworks to former mines, levelling, signalised highways junction, and service provision. It will also provide essential infrastructure including a new access road. Enabling works are to be funded by the Getting Building Fund. Preconstruction works and biodiversity project are to be funded by the Local Growth Fund.</p> <p>The scheme will be funded from the Local Growth Fund (LGF) and the Getting Building Fund (GBF). This approval is for the GBF funding only. The outputs in terms of jobs and GVA will be attributable to the Getting Building Fund.</p> <p>Note: The LGF element of this scheme, totalling £1.276 million, was approved by the Managing Director on 20 November 2020 and is reported at 4.11.</p> <p><b><u>Impact</u></b></p> <p>The completed scheme will deliver approximately 11,965 sqm of commercial floorspace via industrial units of varying sizes by March 2025.</p> <p>The enabling works will deliver 77 net construction jobs and £10.721 million of GVA.</p> <p>The units on the completed site will be capable of accommodating up to 489 jobs, generating £166 million of GVA.</p> <p>Regeneration of a brownfield site would lead to an associated increase in land value of £1.211 million.</p> <p>The value for money assessment gives a benefit cost ratio of 1.72:1</p> <p><b><u>Decision sought</u></b></p> <p>Approval to proceed through decision point 4 (Full business case) and work commences on activity 5 (Full business case plus finalised costs).</p> <p>Total value of the scheme - £7.066 million</p> <p>Total value of Combined Authority funding - £6.969 million (£1.886 million LGF, £5.083million GBF)</p> <p>Funding recommendation sought - £0 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>
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<p><b>Scheme</b></p> <p><b>A64 Regent Street Bridge – Leeds City Centre Package</b></p> <p>Leeds</p>	<p><b><u>Scheme description</u></b></p> <p>The scheme seeks to replace the existing structure of the Regent Street Bridge section of the flyover in Leeds city centre due to its continued deterioration.</p> <p>The scheme will be part funded through the West Yorkshire plus Transport Fund.</p> <p><b><u>Impact</u></b></p> <p>Replacement of the existing bridge structure will preserve the long-term resilience of the A64(M) Inner Ring Road and the wider city network, especially in accommodating future traffic demand following the proposed closure of City Square to through traffic and is critical to supporting the economic growth of the Leeds City Region.</p> <p>The value for money assessment reflects a benefit cost ratio of 9.9:1, judging the scheme as Very High value for money when assessed against the Department for Transport’s value for money criteria.</p> <p><b><u>Decision sought</u></b></p> <p>Approval to proceed through decision point 5 (FBC+) and work commences on activity 6 (Delivery).</p> <p>Total value of the scheme - £31 million</p> <p>Total value of Combined Authority funding - £12 million</p> <p>Funding recommendation sought - £12 million</p> <p>Introduction of the scheme into the Leeds City Centre Package with a subsequent increase to the budget by £12 million from £66.8 million to £78.8 million.</p> <p>A recommendation to the Combined Authority is sought as part of this report.</p>
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<p><b>Scheme</b></p> <p><b>SIIF Pipeline (Project 5)</b></p>	<p><b><u>Scheme description</u></b></p> <p>This project is a grant application to the Strategic Inward Investment Fund for £2 million to bring forward an investment in Leeds City Region</p> <p>The company is based in London and will retain its operation and headquarters in London. However, demand for the company's products has increased significantly and current capacity at its in London is unable to satisfy this demand.</p> <p>The company has identified three locations as potential locations for the new facility, but Leeds is the preferred location as it provides the company with access to high quality graduates, access to suppliers and a good quality of life for employees.</p> <p>Without support from SIIF funding there is a significant risk that the company will establish its facility elsewhere.</p> <p><b><u>Impact</u></b></p> <p>To bring forward an investment in the Leeds City Region and creating 156 skilled jobs by 2023 and an additional 400 full-time and 400 part-time jobs by 2026.</p> <p>The project's wider benefits include working with schools and/or colleges on tailored training; providing career progression support to lower paid staff and work opportunities offered to local people with disabilities or health issues; green travel options offered to employees.</p> <p><b><u>Decision sought</u></b></p> <p>Approval to proceed through decision point 2 and that work commences on activity 6 (delivery).</p> <p>Total scheme value - £13.666 million.</p> <p>Total value of the Combined Authority funding - £2 million.</p> <p>Funding recommendation sought - £2 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>
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4.11 Since the Investment Committee’s meeting on 5 November 2020, 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 and Director of Delivery. Under the delegation a total expenditure of £11.799 million has been approved.

<b><u>Scheme</u></b>	<b><u>Scheme description</u></b>
<p><b>Parry Lane Enterprise Zone</b> Bradford</p>	<p>Parry Lane is located to the south east of the Bradford Business Development Zone. It is well connected to transport links and will provide excellent opportunities for companies in north, east and south Bradford. This scheme will provide necessary enabling works for the development of the Parry Lane site into a regional Enterprise Zone (EZ), with an overall objective of unlocking, enabling, and accelerating site development to deliver economic growth.</p> <p>This scheme will enable commercial development by carrying out de-risking works, including significant groundworks to former mines, levelling, signalised highways junction, and service provision. It will also provide essential infrastructure including a new access road. Preconstruction works and biodiversity project are to be funded by the Local Growth Fund. Enabling works are to be funded by the Getting Building Fund.</p> <p>The scheme will be funded from the Local Growth Fund (LGF) and the Getting Building Fund (GBF). This approval is for the LGF funding only. The outputs in terms of jobs and GVA will be attributable to the Getting Building Fund.</p> <p>Note: The Getting Building Fund element of this scheme, totalling £5.083 million, is to be considered as part of this Capital Approvals report.</p> <p><b><u>Impact</u></b></p> <p>The completed scheme will deliver approximately 11,965 sqm of commercial floorspace via industrial units of varying sizes by March 2025.</p> <p>The enabling works will deliver 77 net construction jobs and £10.721 million of GVA.</p> <p>The units on the completed site will be capable of accommodating up to 489 jobs, generating £166 million of GVA.</p> <p>Regeneration of a brownfield site would lead to an associated increase in land value of £1.211 million.</p> <p>The value for money assessment gives a benefit cost ratio of 1.72:1</p> <p><b><u>Decision sought</u></b></p> <p>The Managing Director approved this change request on 20 November 2020 giving additional development cost approval of £1.276 million from the Local Growth Fund funding to support scheme development and preconstruction works.</p>

<p><b><u>Scheme</u></b></p> <p><b>A61 North Eastern Arm</b></p> <p>Leeds</p>	<p><b><u>Scheme description</u></b></p> <p>The A61 North scheme is to deliver a series of improvements to bus prioritisation and complementary walking and cycling measures along the A61 and Harrogate Road between Chapeltown Road (Leeds City Centre) and north of Harewood beyond the edge of urban Leeds, focussing on the key delay hotspots on the higher bus frequency corridor on the eastern arm of the corridor (Harrogate Road).</p> <p>The scheme will be funded from the West Yorkshire plus Transport Fund</p> <p><b><u>Impact</u></b></p> <p>The completed scheme would deliver:</p> <ul style="list-style-type: none"> <li>• More reliable, faster and modernised bus travel;</li> <li>• A quantifiable modal shift from car to bus, cycling or walking;</li> <li>• Increased capacity in the overall transport network (providing a net gain of connectivity into the City Centre);</li> <li>• Reduced car flows to, from and within the City Centre.</li> </ul> <p>The value for money assessment gives a benefit cost ratio of 5.5:1 corresponding to Very High value for money.</p> <p><b><u>Decision</u></b></p> <p>The Managing Director approved this decision point 5 approval on 20 November 2020, giving approval to the total scheme cost of £4.413 million funded from the Leeds Public Transport Investment Programme and for work to commence on activity 6 (delivery).</p>
<p><b><u>Scheme</u></b></p> <p><b>A629 Phase 1b part 1</b></p> <p>Calderdale</p>	<p><b><u>Scheme description</u></b></p> <p>This scheme is to deliver improvements to a section of the A629 to the south of Halifax town centre, focused around the existing Calder &amp; Hebble highway junction that includes the A629 Huddersfield Road, Stainland Road, and the A6026 Wakefield Road.</p> <p>The scheme is to be delivered via a Design &amp; Build route with tender award expected in December 2020. Accordingly, the scheme will phase the full business case with finalised costs across two submissions – the first (part 1) coming forward now to seek approval of funding to support design development and early construction works (as well as land acquisition), with the second submission (part 2) anticipated for July 2021 to seek approval of funding to support the main construction programme.</p> <p>The scheme is part of the wider A629 Halifax to Huddersfield corridor improvements project.</p> <p>The scheme will be funded from the West Yorkshire plus Transport Fund.</p> <p><b><u>Impact</u></b></p> <p>The completed scheme would deliver:</p>

	<ul style="list-style-type: none"> <li>• Reduced journey time for general traffic during peak periods by 25% two years after opening.</li> <li>• Improved journey time reliability during peak periods for general traffic, within one year of opening.</li> <li>• An overall A629 programme net decrease in carbon emissions</li> </ul> <p>The value for money assessment gives a benefit cost ratio of 4.23:1 – High value for money.</p> <p><b><u>Decision</u></b></p> <p>The Managing Director approved this decision point 5 approval on 20 November 2020 giving approval to Part 1 total scheme costs of £5.810 million from the West Yorkshire plus Transport Fund and for work to commence on activity 6 (delivery).</p>
<p><b><u>Scheme</u></b></p> <p><b>Real Time Information phase 2</b></p> <p>Leeds</p>	<p><b><u>Scheme description</u></b></p> <p>The Real Time Information project is to deliver the procurement and installation of 1,000 screens, to present Real Time bus information, at stops and shelters in the Leeds District.</p> <p>This change request is to enable funding to deliver 37 additional real time screens in the City Centre, on the Headrow.</p> <p>The scheme will be funded from the Leeds Public Transport Investment Programme.</p> <p><b><u>Impact</u></b></p> <p>The scheme forms a key part of the ‘Transforming the bus network’ theme within the LPTIP bid which aims to double the number of bus passengers in ten years. This increase in the number of people using public transport will relieve congestion and support sustainable economic growth.</p> <p><b><u>Decision</u></b></p> <p>The Managing Director approved this change request on 20 November 2020, giving approval to increase scheme costs by £0.300 million to £5.760 million, funded from the Leeds Public Transport Investment Programme.</p>

## 5 Information

- 5.1 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**

<b>Project Title</b>	<b>MCA Digital</b>
<b>Stage</b>	1 (eligibility)
<b>Decision Point</b>	2 (strategic outline 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**

- 5.2 The Corporate Technology Programme (CTP) has now largely ended. It has been implementing the recommendations of Corporate Technology Strategy (CTS) to enable the Combined Authority to become a Digital First organisation via innovative technologies allowing it to evolve its culture, organise teams, create internal processes and support these activities with flexible, modern systems.
- 5.3 A Digital First approach can have a transformational impact on any organisation and it has made a significant impact within the CA — from updating background systems so that they have the latest and most secure operating systems to giving all staff intuitive technologies which they previously had experienced away from the Combined Authority working environment. The CTP programme has largely fulfilled its objective of providing “My Desk - Anywhere – Anytime” flexible working solutions and this improvement to collaboration and mobility via technology has proved to be an essential part of how the organisation continued to operate during the COVID-19 pandemic.
- 5.4 Despite the success of CTP, the Combined Authority still requires further work to become a truly Digital First organisation.
- 5.5 This MCA Digital Programme will address this by delivering 13 additional projects including digitisation, security and information management, cloud infrastructure, customer relationship management (CRM), data platform service management system, network infrastructure, disaster recovery, call centre technologies, location intelligence and asset management and services.

- 5.6 The scheme will be funded by the Combined Authority from borrowing or the use of capital receipts.
- 5.7 A summary of the scheme's business case is included in Appendix 2.

### **Clean Growth / Climate Change Implications**

- 5.8 There are no direct implications, but the MCA Digital programme will further enhance the opportunities for flexible working, including working from home and undertaking meetings virtually and therefore reducing travel.

### **Outputs, benefits, and inclusive growth implications**

- 5.9 This is an internal business change programme rather than an investment designed to create economic growth in the region, but this programme will reflect the ethos and aspirations of the Combined Authority and have a transformational contribution towards achieving MCA readiness and One Organisation objectives.
- 5.10 The programme aligns with Corporate objectives as follows:
- The programme will deliver efficiencies in business processes for the Combined Authority. This will grow the business by yielding increased efficiency / capacity in staff time by having modern, collaborative and non-fixed location ways of working with digital workflow processes.
  - The expectation from citizens, partners and staff is that certain services should be available outside traditional office hours with minimal periods of downtime. Moving services into the Microsoft Azure cloud is a necessary step to achieve this.
  - Enabling the Combined Authority to bring together important data into a single reporting system will enable quicker and more reliable decisions. Furthermore, by publishing as much of this as possible as "open data" it will provide public transparency and give third parties the opportunity to innovate by producing apps and services which access this information.
  - Updating back office systems (telephony, server management, business-to-business CRM) will reduce the required level of in-house operational management and will deliver systems that have added functionality and capacity for future organisational changes.
  - The Combined Authority has recently invested in a three year comprehensive Microsoft Enterprise Agreement in which it has access to best-in-class enterprise software. By having a strategic programme in which benefits realisation are defined within a series of technical and behavioural projects, MCA Digital will ensure that the organisation obtains value for money and becomes more dynamic and responsive by using technology more effectively.
- 5.11 It is also expected that the further use of modern technologies will attract a greater portion of the labour market as prospective employees may be more

interested in employment with the Combined Authority if it uses more up to date system(s) for which they have prior skills or experience of using. This in turn may attract better economic growth for the region by having higher quality employment and/or addressing shortfalls in opportunities to use such skills/experience due to UK geographical inequalities.

## Risks

5.12 The key risks and mitigating measures are set out below:

- Staffing resources – retaining knowledge of CTP team with the desire to transfer required appropriate resources to MCA Digital. Mitigation - ICT Programme Manager funding secured until 31/12/21 and CTP programme manager successfully recruited.
- Getting buy in and obtaining support from stakeholders to ensure that this is regarded as a necessary programme which will deliver future savings. Mitigation – Governance structures designed so that stakeholders are aware of the programme and buy in to it, including MCA Ready Board.
- New solutions are not procured in time for expiring contracts. Mitigation - Head of ICT Services working with Director of Corporate Services and Head of Procurement and clear programme set out to prevent this.

## Costs and funding

5.13 The programme cost is £1.97 million and will be funded by the Combined Authority from borrowing or the use of capital receipts.

5.14 The scheme now seeks an approval of £0.156 million development funding for development of the Final Business Case plus Finalised Costs.

## Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
Decision point 2 (strategic outline case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Investment Committee / Combined Authority	IC - 07/01/2021 CA – 04/02/2021
Decision point 5 (full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	01/05/2021
Decision point 6 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team	31/08/2022

	Decision: Combined Authority's Director of Delivery	
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### Other Key Timescales

- Procurement of a digital transformation partner – May 2021

### Assurance Tolerances

Assurance Tolerances
That any increase in the level of Combined Authority funding over 10% will require further approval from the Investment Committee.
That any delay to the completion date of more than 6 months will require further approval by the Investment Committee.

### Scheme responsibilities

<b>Senior Responsible Officer</b>	David Gill
<b>Scheme Manager</b>	Bill Cookson
<b>Combined Authority Lead Appraiser</b>	Craig Taylor

### Appraisal Summary

- 5.15 The strategic, commercial and management cases are strong.
- 5.16 Three options were considered and there is clear evidence and logic for the preferred option (£1.97 million). Funding is available for the programme.
- 5.17 Lessons have been learnt from the Corporate Technology Programme and these are being applied to this programme.

### Recommendations

- 5.18 The Investment Committee recommends to the Combined Authority:
- The MCA Digital project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs).
  - An indicative approval to the total project value of £1.97 million is given, to be funded by the Combined Authority from borrowing or the use of capital receipts 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 £0.156 million are approved in order to progress the scheme to decision point 5 (full business case with finalised costs).
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report, which will be subject to the scheme remaining within the tolerances outlined in this report.

## **Projects in Stage 2: Development**

<b>Project Title</b>	<b>One City Park, Bradford</b>
<b>Stage</b>	2 (development)
<b>Decision Point</b>	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**

- 5.19 This scheme will be funded by the Government's Getting Building Fund (GBF). This is a £52.6 million fund, covering West Yorkshire. The objectives of the Getting Building Fund are to help create jobs and generate new activity, by accelerating existing Government funded capital projects and exceptional, additional shovel-ready capital projects. These strategic building projects will support West Yorkshire's COVID-19 economic recovery plan.
- 5.20 One City Park is a proposed commercial development scheme in Bradford City Centre that will deliver over 5,000m<sup>2</sup> of high quality ("Grade A") office accommodation, support the creation of over 452 (gross) new jobs and act as a catalyst to the wider regeneration of the area.
- 5.21 Located on the site of the former West Yorkshire Police headquarters building, the scheme has been developed by Bradford Council in order to address the under-supply of high-quality office accommodation across the city centre.
- 5.22 Given the current property market conditions, Bradford Council will lead the delivery of the scheme and retain the completed development. The Council has procured Muse Developments to design and construct the building on its behalf and to market the scheme to potential occupiers.
- 5.23 The total scheme cost is currently forecast at £28.789 million. The Council has secured loan funding from the Public Works Loan Board (PWLB) of up to £21.289 million towards this cost. This is secured against its forecast of the net rental income that could be generated over the next 30 years. The Council is seeking a grant of £7.5 million from the West Yorkshire Combined Authority's Getting Building Fund to bridge the gap in funding.

- 5.24 The scheme supports the delivery of Priority 4 (infrastructure for Growth) of the Strategic Economic Plan, delivering new employment floorspace within a Strategic Priority Area and Urban Growth Centre.
- 5.25 A summary of the scheme's business case and location map is included in Appendix 3

### **Clean Growth / Climate Change Implications**

- 5.26 Bradford Council has committed to achieving a BREEAM Excellent accreditation for the scheme as well as drawing upon the requirements of the WELL Building Standard. Further work to establish the actual level of climate change implications of the scheme will be undertaken as it progresses through the assurance process.

### **Outputs, benefits, and inclusive growth implications**

- 5.27 The outputs, benefits and inclusive growth implications are:
- 5,400 m<sup>2</sup> of new commercial floorspace.
  - 300 FTE (Full time equivalent) construction jobs.
  - 452 new jobs (gross) through the occupation of new commercial floorspace
- 5.28 The GVA-based benefit cost ratio (BCR) for the scheme when measured against the GBF investment is 10.6: 1. When measured against the total public sector investment (including Bradford Council's investment) the BCR is 5.5: 1.
- 5.29 On this basis the scheme potentially represents very good value for money. However, it is recognised that the delivery of the job outputs and any subsequent GVA benefits (as represented in the BCR) will depend on the successful letting of the floorspace in the completed development
- 5.30 The scheme could potentially deliver wider qualitative benefits, acting as a catalyst for the wider people centric regeneration of the city centre along with other investment in the area including the City Centre Heritage Properties programme which has received funding support from the Combined Authority.

### **Risks**

- 5.31 The key risks and mitigating measures are set out below:
- Construction cost increases exceed current forecasts, mitigated by a commitment from Bradford Council to underwrite additional capital costs of up to £5 million.
  - Occupancy, letting and rental levels lower than projected, mitigated by incentivising lettings through the development management contract and a commitment from Bradford Council to underwrite all operating costs.

- The funding gap could increase following detailed design and that rental income could be lower than forecast. To mitigate this risk the Council has committed to underwrite additional capital costs of up to £5 million from its reserves and underwrite all operating costs for a period of up to 30-years.

### Costs and funding

- 5.32 The current total forecast scheme cost is £28.789 million. Grant funding of £7.5 million is sought from the Combined Authority's Getting Building Fund.
- 5.33 Bradford Council has secured match funding of £21.289 million through borrowing from the Public Works Loan Board (PWLB). They have committed to fund any cost overruns on the scheme up to a further £5 million and to underwrite all operational costs associated with the completed development.
- 5.34 The scheme now seeks an approval of £1.909 million development funding to cover costs associated with planning and professional fees
- 5.35 This scheme originally secured grant funding from the Local Growth Fund (LGF) in September 2016 of £4,8 million and a loan of £0.4 million from LGF to facilitate the demolition work on site in March 2016 which is due for repayment in February 2027. Due to LGF expenditure timescales the grant works could not be delivered and therefore is now brought forward through the GBF programme.

### Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
Decision point 4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Investment Committee	07/01/2021
Decision point 5 (full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	30/07/2021
Decision point 6 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	11/01/2023

### Other Key Timescales

- Full planning consent - July 2021

- Main contractor appointed - September 2021
- Construction works start on site - November 2021
- Practical completion - December 2022

### Assurance Tolerances

Assurance Tolerances
That any increase in the level of Combined Authority funding over 10% will require further approval from the Investment Committee
That any delay to the completion date of more than 2 months will require further approval by the Investment Committee
That any reduction in the floorspace and gross job outputs of over 10% will require further approval by the Investment Committee.

### Scheme responsibilities

<b>Senior Responsible Officer</b>	Ben Middleton, Bradford Council
<b>Scheme Manager</b>	Simon Woodhurst, Bradford Council
<b>Combined Authority Lead Appraiser</b>	Ian McNichol

### Appraisal Summary

- 5.36 Bradford City Centre lacks high quality (“Grade A”) office space and has seen the extent and quality of office space generally decline over a number of years. These market conditions lead to low property values in the area which leads to a lack of commercial investment. To address this, Bradford Council is proposing to directly develop new office space at One City Park and retain it as part of its commercial property portfolio.
- 5.37 In order to fund the scheme, the Council has borrowed capital against the value of future rental income and is seeking a grant from the Combined Authority to fund the remaining ‘gap’ between the cost of the construction and its market value as a completed development.
- 5.38 The extent of this gap is determined by the level of market demand for office space and the forecasts construction costs. It is recognised that COVID-19 may further impact demand in already challenging local market conditions and that costs may increase the scheme moves into the detailed design stage. However, these risks are held by the Council who has agreed to underwrite both the construction and operating costs.

5.39 The scheme has a strong economic case, generating a high Benefit Cost Ratio (BCR) but the delivery of new job outputs and any subsequent gross value added (GVA) benefits will depend on the successful letting of the floorspace.

### **Recommendations**

5.40 The Investment Committee approves that:

- (i) The One City Park proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval of £7.5 million is given from the Getting Building Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5. The total scheme cost is forecast at £28.789 million with the remaining £21.289 million funded by Bradford Council.
- (iii) This approval replaces the £4.8 million Local Growth Fund allocation approved by the Combined Authority on 29 September 2016.
- (iv) Development costs of £1.909 million are approved in order to progress the scheme to decision point 5 (full business case with finalised costs).
- (v) The Combined Authority enters into a funding agreement with Bradford Council for expenditure of up to £1.909 million from the Getting Building Fund.
- (vi) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report, which will be subject to the scheme remaining within the tolerances outlined in this report.

<b>Project Title</b>	<b>Corridor Improvement Programme: Huddersfield Southern Corridors</b>
<b>Stage</b>	2 (development)
<b>Decision Point</b>	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

- 5.41 The Huddersfield Southern Corridors (HSC) scheme is part of the West Yorkshire plus Transport Fund (WY+TF) Corridor Improvement Programme (CIP). This programme seeks to reduce peak time congestion and remove barriers impacting growth to access which constrain growth by delivering transport infrastructure improvements along key strategic corridors.
- 5.42 The HSC scheme will deliver strategic interventions at four locations south of Huddersfield town centre. They are:
- Longroyd Lane: active travel and highway capacity enhancements on the Longroyd Lane arm of the A62 Manchester Road/Longroyd Lane junction through lane widening, footway widening, provision of segregated cycle lane and new toucan crossing, and demolition of adjacent derelict buildings to accommodate the works.
  - Lockwood Bar: the re-design of routing and operation of the Lockwood Bar junction by creating a new link between A616 Lockwood Road and Albert Street, upgrade of signalised junction of Albert Street and Bridge Street, and some removal and changes to on-street parking. The proposal also includes pavement widening, enhancements to public areas, new landscaping, and relocated/enhanced bus stop facilities on Lockwood Road, at Lockwood Bar junction, and the new Albert Street-Lockwood Road link.
  - Queensgate: Modifications to the Huddersfield Inner Ring Road / Shorehead roundabout on Queensgate to improve links between the town centre and university, footway widening, creation of dedicated cycle facilities, and urban realm enhancements, and the reconfiguration of access / egress arrangements to the university.

- Folly Hall: to improve traffic movement along the A616 at Folly Hall at the junctions with St Thomas Road and Colne Road through narrowing of the central reservation and banning right turn movement out of Colne Road. The 306, 308, and 319 bus services will be re-directed.
- 5.43 The scheme supports the CIP objective of reducing journey times by 8% for all general traffic modes with modelling suggesting a reduction to journey times of up to 20% for all modes on the A616, A62, and Longroyd Lane could be achieved.
- 5.44 Through public space and walking & cycling infrastructure enhancements, the scheme will support the delivery of a more sustainable and attractive transport network, encouraging modal shift from the car. It is anticipated to increase pedestrian footfall by up to 35% and cyclists of up to 75% in southern Huddersfield within 5 years of opening, supporting the ambitions of Clean Growth and the West Yorkshire Transport Strategy.
- 5.45 The promoter has indicated that the scheme will also help facilitate delivery of the residential and employment sites allocated within the Kirklees Local Plan for south and rural Huddersfield.
- 5.46 The scheme supports delivery of priority 4 'infrastructure for growth' of the Leeds City Region Strategic Economic Plan (2016-30).
- 5.47 The total scheme cost is estimated at £13.57 million. This is a significant increase of £5.37 million to the £8.2 million estimated cost at outline business case (decision point 3). This is due in part to the use of higher quality materials at Queensgate, a decision taken in support of the adopted Huddersfield Blueprint and associated Town Centre Design Framework. Costs have also increased due to additional scheme development costs including design development costs.
- 5.48 To support the cost increase, Kirklees Council has committed £3.15 million, with the increase to the West Yorkshire Combined Authority WY+TF contribution of £2.22 million. Members should note this does not present an increase in cost to the WY+TF as the scheme seeks to recycle a £1.57 million cost saving to the CIP Phase 1 programme, bring forward £0.5 million of funding already allocated to the council's CIP2 A629 Wakefield Road scheme (which shares complimentary pedestrian and cycling interventions at Shorehead roundabout), and has identified £0.15 million from the existing CIP programme contingency pot.
- 5.49 A summary of the scheme's business case and location map is included in Appendix 4.

### **Clean Growth / Climate Change Implications**

- 5.50 All four sections within this scheme will contribute to reductions in Greenhouse Gas emissions through a combination of change in traffic patterns and by encouraging a shift from private cars to more sustainable modes of transport,

particularly walking and cycling. This will be accomplished through the improvements to walking and cycling provisions such as new segregated cycle crossings and segregated cycle lanes, and new cycling facilities.

### **Outputs, Benefits, and Inclusive Growth Implications**

5.51 The scheme outputs and benefits include:

- To support an increase in pedestrian footfall within the Huddersfield Southern Corridor (HSC) area of up to 35% and an increase in cyclists of up to 75% within 5 years of scheme opening.
- To reduce congestion within the HSC area for trips to/from Huddersfield along the A616, A62, and Longroyd Lane during the weekday morning and afternoon peak hours by up to 20% within 5 years of scheme delivery. To help facilitate the delivery of the residential and employment sites allocated within the Kirklees Local Plan for south and rural Huddersfield by 2030.
- To reduce the number of collisions on the A616 and A62 within the HSC area by 10% within the first 12 months of opening, with a particular focus on reducing collisions involving pedestrians and cyclists.
- The scheme supports inclusive growth by improving public health and quality of life through a reduction in congestion levels and enhancing active travel infrastructure. This will improved access to education, employment, and housing to/from the southern Huddersfield area.

5.52 The value for money assessment reflects a benefit to cost ratio of 7.9:1, corresponding to a Very High value for money classification when assessed against the Department for Transport's value for money criteria.

### **Risks**

5.53 The scheme risks include:

- Failure to achieve planning and/or listed building Consent at Longroyd Lane. As a mitigation measure, the promoter would consider a later phased delivery of Longroyd Lane from the overarching scheme so as to not impact delivery of the other three sections.
- COVID-19 impact to scheme delivery and costs. Mitigated by accounting for COVID-19 related costs, i.e. additional safety measures and by developing a scheme programme which reflects Government guidance on safe working.

### **Costs**

5.54 The scheme costs are:

- The total scheme cost estimate at full business case (decision point 4) is £13.57 million. This reflects an increase of £5.37 million to the outline business case (decision point 3) cost estimate.
- The Combined Authority to contribute £10.42 million from the WY+TF. This reflects a £2.22 million increase to the indicative Combined Authority approval at outline business case (decision point 3). The increase does not require additional funding from the WY+TF with the scheme to recycle a £1.57 million cost saving to the CIP Phase 1 programme, bring forward £0.5 million of funding already allocated to the council's CIP Phase 2 A629 Wakefield Road scheme, and has identified £0.15 million from the existing CIP programme contingency pot.
- Kirklees Council to contribute £3.15 million, secured from their highways budget and Capital Plan.
- The scheme secured approval for development costs of up to £2.534 million from the WY+TF at outline business case (decision point 3) to progress to full business case with finalised costs (activity 5). This included funding land acquisition costs. The promoter confirms the approval still has a sufficient balance therefore approval of further additional development costs is not sought at full business case (decision point 4).

### 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	07/01/2021
5 (full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	26/02/2021
Decision point 6 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	24/03/2023

### Other Key Timescales

5.55 Other key timescales are:

- February 2021 – External contractor contract award
- December 2020 – Planning consents to be secured
- March 2021 – Construction commence at Folly Hall, Queensgate, and Lockwood Bar

- June 2021 – Construction commence at Longroyd Lane
- October 2021 – Folly Hall construction complete
- April 2022 – Lockwood Bar construction complete
- September 2022 – Queensgate construction complete
- March 2023 – Longroyd Lane construction complete

### Assurance Tolerances

Assurance tolerances
That any increase to the Combined Authority contribution above 5%, will require approval at Investment Committee.
That the programme remains within 3 months of the scheme completion date set out.

### Project Responsibilities

<b>Senior Responsible Officer</b>	Richard Hollinson (Kirklees Council)
<b>Project Manager</b>	Keith Bloomfield (Kirklees Council)
<b>Combined Authority case officer</b>	Asif Abed

### Appraisal Summary

- 5.56 The preferred scheme put forward suitably demonstrates support to delivering economic growth through transport infrastructure improvements whilst also including active travel and public area features (principles of clean growth and inclusive growth). This is supported by a Very High BCR.
- 5.57 The scheme has witnessed a significant cost increase, largely because of the council's decision to use higher quality materials at Queensgate in support of the adopted Huddersfield Blueprint and associated Town Centre Design Framework. The Council is contributing funding for the scheme to cover these costs. The business case suitably demonstrates scheme affordability, reflecting the significant contribution from the council and the recycling and reallocation of WY+TF from within the existing CIP programme budgets.
- 5.58 The proposed delivery (procurement) arrangements across the four sections of HSC appear to be well considered, whilst although planning consents and conclusion to land acquisition is outstanding, they are felt to present minimal risk to the scheme and should be addressed prior to the scheme coming forward at full business case with finalised costs (activity 5). The only exception being the section along Longroyd Lane which may be subject to conditional approval and phased for later delivery.

## **Recommendations**

5.59 The Investment Committee approves that:

- (i) The Huddersfield Southern Corridor scheme 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 contribution of £10.42 million to be funded from the West Yorkshire plus Transport Fund, is given, with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (Full business case with finalised costs). The total scheme cost is £13.57 million.
- (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report, which will be subject to the scheme remaining within the tolerances outlined in this report.

<b>Project Title</b>	<b>Parry Lane Enterprise Zone</b>
<b>Stage</b>	2 (development)
<b>Decision Point</b>	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

- 5.60 Parry Lane is part of the M62 Phase 2 Enterprise Zone programme consisting of nine sites in West Yorkshire running along the M62 corridor and is also part of the Business Development Zone in Bradford.
- 5.61 Located in the south east of Bradford, Parry Lane is well connected to transport links and will provide excellent opportunities for companies in north, east and south Bradford. The site currently suffers from high costs of development including significant groundworks to former mines, levelling, signalised highways junction, and service provision - making it unviable to bring forward without public sector intervention.
- 5.62 The Combined Authority funding, partially from the Local Growth Deal (LGF) and partially from the Getting Building Fund (GBF), will be used to fund enabling works to de-risk the site and provide essential infrastructure. This will include demolition works, treatment of contamination and historic mine openings, creation of development plateaus, the design and construction of a main access road on to Sticker Lane, and controlled crossing to Sticker Lane.
- 5.63 The Government made £900 million available through the new Getting Building Fund (GBF) for investment in local, shovel-ready infrastructure projects to stimulate jobs and support economic recovery across the country. In September 2020, it was confirmed that the West Yorkshire Combined Authority has been allocated £52.6 million from the GBF for a wide-ranging package of projects that will deliver a much-needed boost to the local economy. This package includes £9.07 million to the Enterprise Zone programme of which £5.083 million has been allocated to Parry Lane (Bradford) and £3.24 million to Langthwaite (Wakefield). The GBF programme runs up to March 2022.

- 5.64 Pre-construction works and biodiversity project are to be funded through the LGF programme. Follow on enabling infrastructure works are to be funded by Getting Building Fund.
- 5.65 As a result of the works funded by the Combined Authority, the scheme will deliver 77 net construction jobs and £10.721 million of GVA, as well as facilitate the future development of the site with the units capable of accommodating up to 489 jobs, generating £166 million of GVA.
- 5.66 A summary of the scheme's business case and location map is included in Appendix 5.

### **Clean Growth / Climate Change Implications**

- 5.67 The scheme supports Clean Growth and Climate Change through the delivery of a biodiversity project which is proposed as an additional piece of work to the EZ site based on the Combined Authority's inclusion of Good Growth in its vision for 2036, emphasising the improvement of the environment and its contribution to peoples' health.

### **Outputs, Benefits, and Inclusive Growth Implications**

- 5.68 The forecast outputs, benefits, and inclusive growth implications of the scheme are:
- A de-risked, cleared, and serviced site, including a new access junction and road infrastructure through the site by March 2022.
  - Delivery of up to 11,965 sqm of commercial floorspace industrial units of varying sizes capable of accommodating up to 489 jobs, generating £166 million of GVA by March 2025. This work will be undertaken by Bradford council and their chosen delivery partner.
  - Enabling works will provide 77 net construction jobs and £10.721 million of GVA
  - Regeneration of a brownfield site and associated increase in land value of £1.211 million.
- 5.69 The value for money assessment reflects a core benefit cost ratio (BCR) of 1.72:1, meaning for each £1 invested it would generate £1.72 of investment. The scheme will also deliver wider scheme benefits such as facilitating access to two further parcels of land for employment space, business rates revenue for the public sector, and increase property values and be a catalyst for further investment in the area.

### **Risks**

- 5.70 The scheme risks include:
- Risk that unexpected ground conditions are found, in particular mine workings, which could delay delivery and incur additional costs.

Comprehensive groundworks have been undertaken with further recommendations from the ground investigation report to be implemented to provide clarity on risk and enable risk to be transferred through the fixed price NEC contract.

## Costs

5.71 The scheme costs are:

- The total scheme cost is £7.066 million.
- The Combined Authority will contribute £6.969 million of which £1.886 million from the Local Growth Fund (LGF), and £5.083 million from the Getting Building Fund (GBF). Bradford Council is to contribute £0.097 million.
- The scheme secured approval of up to £0.610 million development costs from the LGF at outline business case (decision point 3).
- The scheme secured approval to a further £1.276 million from the LGF at full business case (decision point 4) through a delegation to the Managing Director, of which £1.135 million to support part 1 of the enabling works up to March 2021, and £0.141 million to fund the biodiversity project, taking the total approval from the LGF to £1.886 million.
- The scheme now seeks indicative approval to £5.083 million from the GBF to deliver the second part of the enabling works up to February 2022. Full approval will be sought following completion to Detailed Design at full business case with finalised costs (decision point 5), anticipated for February 2021.

5.72 It is to be noted that the full site development cost forecast is £17.4 million (including the enabling works). Bradford City Council, as land owner, will lead the subsequent procurement of the commercial units.

## 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	07/01/2021
5 (full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	12/03/2021
6 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team	29/04/2022

	Decision: Combined Authority's Managing Director	
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### Other Key Timescales

5.73 Other key timescales are:

- Commencement to the early phase of enabling works is forecast for February 2021.
- Completion to the early phase of enabling works is forecast for March 2021.
- Commencement to site access and infrastructure works as part of the enabling works programme is forecast for April 2021.
- Completion to the site access and infrastructure works of the enabling works programme is forecast for February 2022.
- Delivery of all commercial units by March 2025.

### Assurance Tolerances

Assurance tolerances
That the Combined Authority costs remains within +10% of the costs identified within this report.
That time scales remain within 1 month as those outlined in this report.
That the outputs remain within 10% of the net construction jobs and GVA as a result of the direct investment from the Combined Authorities LFG and GBF programmes within this report

### Project Responsibilities

Senior Responsible Officer	Kate Thompson
Project Manager	Sara Brook
Combined Authority case officer	Asif Abed

### Appraisal Summary

- 5.74 Concerns around affordability and delivery of the scheme (enabling works) has been removed following the Combined Authority securing GBF funding, with the GBF programme running up to March 2022. It is recognised that scheme will still seek to expend up to £1.886 million LGF by 31 March 2021.
- 5.75 A robust value for money assessment has been presented, as well as a clear delivery programme setting out the activities and timescales of the enabling works.

5.76 Following Managing Director approval to award the contract, the scheme has demonstrated it is at an advanced stage in finalising the contractual arrangements with Balfour Beatty and the Bradford council, with the council to lead on procuring a private sector developer to deliver the commercial units.

### **Recommendations**

5.77 The Investment Committee approves that:

- (i) The EZ Parry Lane scheme proceeds through decision point 4 and work commences on activity 5 (Full business case with finalised costs).
- (ii) Indicative approval of to the Combined Authority contribution of £6.969 million, of which £1.886 million from the LGF and £5.083 million from GBF, is given, with full approval to be granted once the scheme progresses through decision point 5 (Full business case with finalised costs). The total scheme value is £7.066 million.
- (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report, which will be subject to the scheme remaining within the tolerances outlined in this report.

<b>Project Title</b>	<b>A64 Regent Street Bridge – Leeds City Centre Package</b>
<b>Stage</b>	2 (development)
<b>Decision Point</b>	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

- 5.78 Regent Street Flyover is located within Leeds city centre and carries the A64 (M) Leeds Inner Ring Road (LIRR) over the A61, known at this location as Regent Street.
- 5.79 Constructed in 1968, in addition to ongoing maintenance works, the structure has undergone two major refurbishments, in 1996 and 2002. It however still suffers from several problems, most notably the deterioration of the load-bearing capacity of critical elements due to ingress of water, poor construction details and inadequate water management, corroding the reinforcing steel and causing expansion and cracking of the concrete.
- 5.80 Owing to the continued deterioration of the structure which could risk closure of the bridge as early as 2022, and the commencement of other impactful works across the city over the next 12 months, intervention is required now to preserve the long term resilience of the A64(M) Inner Ring Road and the wider city network – most pertinently to mitigate against future traffic demand following the proposed closure of City Square to through traffic. Extensive feasibility work has concluded that the most cost-effective and beneficial solution is to replace the existing structure.
- 5.81 The Department for Transport (DfT) initially ran a competition inviting bids for Highway Maintenance Challenge Fund (HMCF). An application was put forward by the Combined Authority in October 2019 with the Regent Street Bridge seeking £20.4 million HMCF as part of the ‘Large’ schemes Expression of Interest (EOI), with a £10.6 million contribution from Leeds supporting a total scheme cost of £31 million.
- 5.82 In parallel, given the condition of the structure, to minimise disruption to traffic, and to support acceleration of the main construction programme, the Highways Board of July 2019 approved enabling works measures, with the

south span of the bridge proactively propped and vehicular crossover points constructed on the eastern and western approaches.

- 5.83 A decision on the bid from DfT was expected in December 2019 but this was pushed back to summer 2020. Given the critical nature of the works and to limit the impact on subsequent high priority schemes in the city centre, Executive Board approval was secured on 22 April 2020 to bring forward council borrowing into the capital programme alongside the existing Highways, Bridges & Structure Programme, and to authorise the procurement of a Design & Build contract off the SCAPE framework.
- 5.84 The Secretary of State for Transport on 14 May 2020 announced £1.7 billion funding to be allocated to Combined Authorities and Local Highway Authorities for 2020/21 through the newly created Transport Infrastructure Investment Fund – which included existing DfT spending programmes such as Pothole funding and Challenge fund. In the announcement, it set out that Ministers have decided that due to COVID-19 the competition for 2020/21 ‘Large’ scheme funding (£100 million) is to be allocated by formula instead, resulting in Leeds with a significantly reduced HMCF of £1.5 million.
- 5.85 Members at the Investment Committee of 9 June 2020, as part of the Armley Gyrotory scheme paper, recommended that the Combined Authority continues to explore extending the scope of the Leeds City Centre Package (LCCP) programme to include the Regent Street Flyover scheme.
- 5.86 In order to avoid any risk to delivery of the existing LCCP programme, it is proposed that £12 million is made available from the West Yorkshire plus Transport Fund to provide some ‘gap’ funding to the project that now become part of the Leeds City Centre Package, increasing the LCCP Programme budget from £66.8 million to £78.8 million. The remaining funding for the A64 Regent Street Bridge will be £1.5 million from the Highway Maintenance Challenge Fund, £4.6 million Local Transport Plan 2018-2021 (LTP) and £12.9 million which will be funded by Leeds City Council while other sources of funding such as DfT and TfN continue to be explored.
- 5.87 To support project delivery timescales, the scheme comes forward directly at full business case with finalised costs (decision point 5), seeking approval of £12 million from the West Yorkshire plus Transport Fund and a subsequent increase in the LCCP Programme budget from £66.8 million to £78.8 million.
- 5.88 A summary of the scheme’s business case and location map is included in Appendix 6.

### **Clean Growth / Climate Change Implications**

- 5.89 The scheme will secure the long term resilience of the flyover, supporting the delivery of public transport, active mode (walking & cycling), and public realm enhancement schemes across the city centre, which will directly facilitate a multi modal, low emission transport system.

5.90 The scheme will seek biodiversity gains through urban landscaping and green infrastructure features such as rainwater gardens, a sustainable drainage system, and tree planting. This forms part of the “MBARC” environmental strategy led by Leeds with Balfour Beatty in the delivery of schemes at Meadow Lane, Bishopgate, Armley Gyratory, Regent street (this scheme), and City square.

### **Outputs, Benefits, and Inclusive Growth Implications**

5.91 The scheme outputs and benefits include:

- The value for money assessment reflects a benefit cost ratio of 9.9:1, judging the scheme as Very High value for money when assessed against the Department for Transport’s value for money criteria. Appraisal was undertaken on the basis of a counterfactual scenario with assessment of the benefits of ‘with bridge’ vs ‘no bridge’ (i.e. should the works not happen and the bridge is forced to close).
- The scheme supports Inclusive Growth by procuring local labour and making a social investment to boost the City Region economic growth, and through regenerating a major piece of public infrastructure, will facilitate business growth through attracting investment.

### **Risks**

5.92 The scheme risks include:

Design changes required due to scheme complexities, resulting in a delay and additional cost to the scheme. Early contractor involvement had to review the Detailed Design and support design development, buildability, value engineering, and development of the contractor construction Target Cost.

### **Costs**

5.93 The scheme costs are:

- The total scheme cost at full business case with finalised costs (activity 5) is £31 million to be funded through £12 million from the Combined Authority’s West Yorkshire plus Transport Fund, £1.5 million from the Highway Maintenance Challenge Fund, £4.6 million Local Transport Plan 2018-2021 (LTP) and £12.9 million which will be funded by Leeds City Council while other sources of funding such as DfT and TfN continue to be explored.
- The project will become part of the Leeds City Centre Package, which will be increased by £12 million, from £66.8 million to £78.8 million, and costs will be managed within the LCCP programme.
- The Combined Authority to enter into a funding agreement with Leeds City Council for expenditure up to £12 million.

## Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
Decision point 6 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	28/02/2022
Decision point 7 (review and close)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	22/02/2023

## Other Key Timescales

- In contract - May 2020
- Start on site - 11/05/20
- Demolition works commenced in May 2020
- Phase 1 Piling completed September 2020
- Phase 1 Beam Installation Programmed for December 2020
- Completion on site forecast for Spring 2022

## Assurance Tolerances

Assurance tolerances
That the Combined Authority costs remains within +5% of the costs identified within this report.
That the programme remains within 3 months of the timescales set out in this report.

## Project Responsibilities

Senior Responsible Officer	Gary Bartlett, Leeds Council
Project Manager	Robert Ingall, Leeds Council
Combined Authority case officer	Asif Abed

## Appraisal Summary

- 5.94 The scheme suitably demonstrates the need and scope of the intervention, highlighting that a replacement rather than another refurbishment exercise is the preferred solution to give long term resilience and critically support other activity being delivered in the city centre, notably to accommodate more traffic demand as a result of City Square closure.

5.95 The business case reflects that the delivery arrangements are in place to deliver the construction works, with demolition works already underway.

### **Recommendations**

5.96 The Investment Committee recommends to the Combined Authority:

- (i) The A64 Regent Street Bridge – Leeds City Centre Package scheme proceeds through decision point 5 and work commences on activity 6 (delivery).
- (ii) Approval to the Combined Authority's contribution of £12 million to be funded from the West Yorkshire plus Transport Fund (WY+TF) is given. The total scheme value is £31 million.
- (iii) Approval to increase the Leeds City Centre Package programme budget by £12 million from £66.8 million to £78.8 million.
- (iv) The Combined Authority enters into a funding agreement with Leeds City Council for expenditure of up to £12 million from the WY+TF.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report subject to the scheme remaining within the tolerances outlined in this report.

<b>Project Title</b>	<b>SIIF Pipeline (Project 5)</b>
<b>Stage</b>	1 (eligibility)
<b>Decision Point</b>	2 (strategic outline 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	Paragraph 3	

## Background

- 5.97 This project is of a commercially sensitive nature and there is a Non-disclosure agreement in place between the West Yorkshire Combined Authority and the applicant.
- 5.98 As part of this report to be considered by the Investment Committee a business case summary for the scheme is provided as an appendix which is considered to be commercially sensitive. This document is provided as Appendix 7 as part of this report. The information contained in Appendix 7 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.
- 5.99 The Combined Authority on 10 December 2020 delegated approval of the SIIF Pipeline project Strategic Outline Cases to the Investment Committee for consideration on 07 January 2021.
- 5.100 The scheme is being considered by the Business Investment Panel (BIP) and a recommendation is expected to be received by 5 January 2021. An update will be provided at the Investment Committee meeting as to whether the appraisal undertaken has confirmed that that the application meets the criteria of and is affordable from the Strategic Inward Investment Fund.
- 5.3 This project is a grant application to the Strategic Inward Investment Fund for £2 million to bring forward an investment in Leeds City Region, the company has forecasted that by 2026 the business will create 400 full time jobs and an additional 400 part time jobs.

- 5.4 For the purposes of the SIIF application and owing to the end of Growth Deal the applicant will commit to create 157 of these jobs before the end of 2023. The average salary across the company will be approximately £36,000 per year, well above both the UK and City Region average. The workforce will include manufacturing technicians, R&D staff, graduate engineers, managers and senior managers.
- 5.101 The company is based in London and will retain its operation and headquarters in London. However, demand for the company's products has increased significantly and current capacity at its in London is unable to satisfy this demand. 12 major contracts (value £3.5m) have had to be put on hold or lost due to this deficiency, which is now substantially constraining the growth capability of the business. The order book already has a pipeline of customer requirements that will utilise significant capacity from a new manufacturing site as soon as it is on-line. By bringing the manufacturing in-house, the business will also be able to provide confidence to customers and investors in relation to achieving corporate goals around revenue.
- 5.102 The company has identified three locations as potential locations for the new facility, but Leeds is the preferred location as it provides the company with access to high quality graduates, access to suppliers and a good quality of life for employees. However, there are greater financial incentives available to locate in one of the other locations, with the company stating that it has had a verbal indication that grant support of 30% of the eligible project costs will be made available to secure the investment there..
- 5.103 Without support from SIIF funding there is a significant risk that the company will establish its facility elsewhere.
- 5.104 State Aid advice has been sought in relation to the grant application and has determined that the grant application is compliant with the regulations.
- 5.105 The scheme is managed by the Combined Authority Inward Investment Team and has a clear fit with the Strategic Economic Plan. The project meets the Combined Authority's strategic objectives to grow the region's economy and create high quality, inclusive jobs. The project is in a priority sector and will generate a significant economic impact (circa £60 million net GVA increase by 2028). The project addresses Strategic Economic Plan (SEP) priorities including the 'more jobs, better jobs' programme and the SEP initiative to boost business growth and investment, attracting a major international investor.
- 5.106 A summary of the scheme's business case is included in Confidential Appendix 7.

### **Outputs, benefits and inclusive growth implications**

- 5.107 The forecast outputs, benefits and inclusive growth implications are:
- 5.108 Scheme outputs

- Create 156 jobs by 2023.
- Create an additional 400 full-time and 400 part-time jobs by 2026.
- Commit to seven inclusive growth outputs.

5.109 Leverage private sector investment of £11.66 million by the end of December 2021.

5.110 The potential return for investment is high. Although based on the creation of 157 jobs, the cost per job of £12,738 seems high in comparison to other SIIF applications. However, the additional 246 jobs being created beyond March 2023, which are dependent on the grant being awarded would reflect a cost per job of £4,963.

5.111 These are skilled roles and the combined salary costs for these staff will be significant (average salary is £36,000) which will have significant multiplier on effects in the local economy.

5.112 The wider benefits of the scheme, including inclusive growth benefits of the scheme:

- Work with schools and/or colleges
- Training and development offered to low paid staff to help them progress
- Work opportunities offered to local people with disabilities or health issues
- Green travel options offered to employees
- Wider diversity and inclusive growth policies and initiatives
- Become an accredited Real Living Wage Foundation employer

### **Risks**

5.113 Key risks are as follows:

- Identified property purchase falls through. If this were the case then the growth deal monies could not be spent before the 31 March 2021 deadline. Mitigation: to continue to work closely with the company to maximise spend. 75% of the grant released once the investment is complete and 25% retained until the jobs are created.
- Inability to realise plans at the pace or scale desired and therefore growth deal monies not spent before the 31 March 2021 deadline. Mitigation: to continue to work closely with the company to maximise spend. 75% of the grant released once the investment is complete and 25% retained until the jobs are created.
- Applicant business opts for an alternative location and the benefits are lost to the City Region. Mitigation: Combined Authority approvals streamlined, whilst ensuring appropriate appraisal is undertaken.

## Costs

5.114 The current total forecast cost of the scheme is between £13.666 million.

5.115 The Combined Authority contribution to the total forecast cost of the scheme is £2million, which will be funded by the Combined Authority from the Strategic Inward Investment Fund (SIIF).

5.116 The remainder of the costs will be funded by the applicant business.

## Timescales

- The scheme is being considered by the Business Investment Panel electronically with a recommendation provided 5 January 2020.
- Company Board will make the decision if they want to proceed with the project in January 2021.
- The purchase of the property to complete in February 2021.
- The site is expected to be operational by July 2021.
- Forecast decision point 6 (delivery) – end of December 2021.

## Assurance pathway and approval route

Assurance pathway	Approval route	Forecast approval date
Decision point 5 (full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Investment Committee	07/01/2021
Decision point 6 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	11/01/2023

## Assurance Tolerances

Assurance Tolerances
That the Combined Authority contribution should remain within the amount set out in this report. That scheme timescales should remain within 3 months of the timescales set out in this report. That any reduction jobs created by 2023 of over 10% will require further approval by the Investment Committee.

## Scheme responsibilities

<b>Senior Responsible Officer</b>	David Shepherd
<b>Scheme Manager</b>	Ken Brockbank/ Lauren Thomas
<b>Combined Authority Lead Appraiser</b>	Clive Owen

### **Appraisal summary**

5.117 The project has a clear strategic fit and there is clear evidence of the need for the project. The project has good potential of delivering against headline indicators and falls within an identified funding stream.

5.118 If Leeds City Region is selected as the location for this project, there will be 400 net new roles created at a regional level by 2026. The grant funding will enable the company to absorb the additional costs associated with the Leeds City Region option, relative to the alternative cost option of establishing operations in Wales.

5.119 Securing the project for LCR will create 400 new jobs over 5 years with average salaries of £36,000. The new roles include 15 apprentice positions.

5.120 The Company is financially stable, with historic and forecast profitability, and a healthy balance sheet.

5.121 The applicant has committed to enter seven inclusive growth commitments.

5.122 As a small company there are no EU state aid implications envisaged.

5.123 In addition to the project's direct economic benefits (such as GVA and job outputs) it is strategically aligned with the SEP objective to attract new high value advanced manufacturing to the region.

### **5.124 Recommendations**

5.125 The Investment Committee approves that:

- (i) The SIIF Pipeline (Project 5) project proceeds through decision point 2 and work commences on activity 6 (delivery).
- (ii) Approval to the Combined Authority's contribution of £2 from the Local Growth Fund's Strategic Inward Investment Fund is given with full approval to spend being granted once the scheme has progressed through the Assurance Process to decision point 5. Total project costs are £13.666 million.
- (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

## **Projects in Stage 3: Delivery and Evaluation**

5.126 There are no schemes requiring consideration at this assurance stage.

### **6 Financial implications**

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

### **7 Legal implications**

7.1 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.

7.2 The information contained in Appendix 7 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.

### **8 Staffing implications**

8.1 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.

### **9 External consultees**

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

### **10 Recommendations**

#### **MCA Digital**

10.1 The Investment Committee recommends to the Combined Authority:

- (i) The MCA Digital project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the total project value of £1.97 million is given, to be funded by the Combined Authority from borrowing or the use of capital receipts 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 £0.156 million are approved in order to progress the scheme to decision point 5 (full business case with finalised costs).

- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report, which will be subject to the scheme remaining within the tolerances outlined in this report.

### **One City Park, Bradford**

10.2 The Investment Committee approves that:

- (i) The One City Park proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval of £7.5 million is given from the Getting Building Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5. The total scheme cost is forecast at £28.789 million with the remaining £21.289 million funded by Bradford Council.
- (iii) This approval replaces the £4.8 million Local Growth Fund allocation approved by the Combined Authority on 29 September 2016.
- (iv) Development costs of £1.909 million are approved in order to progress the scheme to decision point 5 (full business case with finalised costs).
- (v) The Combined Authority enters into a funding agreement with Bradford Council for expenditure of up to £1.909 million from the Getting Building Fund.
- (vi) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report, which will be subject to the scheme remaining within the tolerances outlined in this report.

### **Corridor Improvement Programme: Huddersfield Southern Corridors**

10.3 The Investment Committee approves that:

- (i) The Huddersfield Southern Corridor scheme 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 contribution of £10.42 million to be funded from the West Yorkshire plus Transport Fund, is given, with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (Full business case with finalised costs). The total scheme cost is £13.57 million.
- (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report, which will be subject to the scheme remaining within the tolerances outlined in this report.

### **Parry Lane Enterprise Zone**

10.4 The Investment Committee approves that:

- (i) The EZ Parry Lane scheme proceeds through decision point 4 and work commences on activity 5 (Full business case with finalised costs).
- (ii) Indicative approval of to the Combined Authority contribution of £6.969 million, of which £1.886 million from the LGF and £5.083 million from GBF, is given, with full approval to be granted once the scheme progresses through decision point 5 (Full business case with finalised costs). The total scheme value is £7.066 million.
- (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report, which will be subject to the scheme remaining within the tolerances outlined in this report.

### **A64 Regent Street Bridge – Leeds City Centre Package**

10.5 The Investment Committee recommends to the Combined Authority:

- (i) The A64 Regent Street Bridge – Leeds City Centre Package scheme proceeds through decision point 5 and work commences on activity 6 (delivery).
- (ii) Approval to the Combined Authority's contribution of £12 million to be funded from the West Yorkshire plus Transport Fund (WY+TF) is given. The total scheme value is £31 million.
- (iii) Approval to increase the Leeds City Centre Package programme budget by £12 million from £66.8 million to £78.8 million.
- (iv) The Combined Authority enters into a funding agreement with Leeds City Council for expenditure of up to £12 million from the WY+TF.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report subject to the scheme remaining within the tolerances outlined in this report.

### **SIIF Pipeline (Project 5)**

10.6 The Investment Committee approves that:

- (i) The SIIF Pipeline (Project 5) project proceeds through decision point 2 and work commences on activity 6 (delivery).
- (ii) Approval to the Combined Authority's contribution of £2 from the Local Growth Fund's Strategic Inward Investment Fund is given with full approval to spend being granted once the scheme has progressed through the Assurance Process to decision point 5. Total project costs are £13.666 million.

- (iii) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report

## **11 Background documents**

11.1 None as part of this report.

## **12 Appendices**

**Appendix 1** – Background to the assurance framework

**Appendix 2** – MCA Digital – Business Case Summary

**Appendix 3** – One City Park, Bradford – Business Case Summary

**Appendix 4** - Huddersfield Southern Corridors – Business Case Summary

**Appendix 5** – Parry Lane Enterprise Zone – Business Case Summary

**Appendix 6** – A64 Regent Street Bridge – Business Case Summary

**Appendix 7** – SIF Pipeline (Project 5) – Business Case Summary