
Report to: West Yorkshire Combined Authority

Date: 4 February 2021

Subject: **Capital Spending and Project Approvals**

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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 schemes being considered today were recommended by the West Yorkshire and York Investment Committee (the Investment Committee) on 7 January 2021 and 3 February 2021.
- 1.3 Please note, at the time of preparing this report one scheme presented will not have been considered by Investment Committee which meets one day before this meeting. However, to expedite scheme delivery and to avoid any delay (the next meeting of the Combined Authority is in February 2020) the schemes are being presented at this time. The recommendations within this report are based on those being put to Investment Committee. The Chair of the Investment Committee will provide a verbal update on the outcome of the 3 February 2021 Investment Committee's consideration of the schemes and whether there are any changes to the recommendations to be considered by the Combined Authority. Any significant changes will be presented in an addendum to the report.

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 is being presented to the March 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 West Yorkshire plus Transport Fund Review 2020

4.1 The West Yorkshire plus Transport Fund commenced on 1 April 2015. This is a £1 billion programme funded as follows:

Funding Source	Amount (£) million
Local Growth Fund	600
Transport Majors	183
Local Contribution (borrowing)	217
Total	1000

- 4.2 The original funding programme included 33 named projects each with an allocated sum of funding which totalled £1.27 billion. It has now increased to 118 projects, up from 82 projects at this time last year. This is as a result of the development of projects within operational programmes (e.g. Corridor Improvement Programme, Station Gateways Programme, Rail Parking Package) or individual projects that have been phased.
- 4.3 The first full review of the Transport Fund took place in 2019. The review was undertaken to address concerns raised by the Investment Committee relating to differences in the funding requested and funding allocated to the schemes submitted for consideration through the assurance process. There were various reasons for the differences including: cost increases, scope creep, scope change or revised scheme requirements.
- 4.4 In January 2020 as part of finalising the first review the Investment Committee and Combined Authority agreed to fix a revised funding baseline allocation for each project, to undertake an annual review of the Transport Fund and to over-programme to a percentage within the level of identified risk of £120.95 million.
- 4.5 The second review commenced in August 2020 and was presented to the Investment Committee on 07 January 2021.
- 4.6 The Investment Committee recommended to the Combined Authority:
- (i) The proposed revised funding allocations as set out in Appendix 1.
 - (ii) A number of requests for funding were received for projects within operational programmes. Costs should be managed within the operational programme allocation. It is proposed that any changes to individual projects should be considered by each operational programme board and final recommendations brought for approval to the Investment Committee as and when required. These requests must remain within the envelope of each operational programme.
 - (iii) The original purpose of the Corridor Improvement Programme was to provide small to medium scale measures to road corridors to improve traffic flow and bus access. Informal agreement was that costs per project should not exceed £15 million. It is requested that this should be

formalised which will help to ensure that the programme budget can be managed within the current funding envelope.

- (iv) The revised programme dates for each project as set out in Appendix 2.
- (v) That in future:
 - Over-programming will be capped at the current level (£115.19 million or 11.5%).
 - All indicative funding levels will be capped, except:
 - a. Where projects are part of an operational programme in this case funding can move between projects or take up unallocated programme headroom funding (all amendments to allocations within operational programmes must be approved by the Investment Committee).
 - b. In exceptional circumstances. Officers of the Combined Authority and partner councils will work together to set out the events that would trigger this consideration. Any additional funding requirement will be subject to the availability of headroom within the overprogramming and would need to be agreed before the business case can be approved.
 - c. The Transport Fund will continue to be reviewed annually (commencing in August each year to inform the annual budget setting process). The scope of the review will include: any increased requirement for funding; actual spend and forecast spend; review of overall progress (number of projects in development, delivery and complete); monitoring of the level of over-programming and the estimates of QRA /contingency; and project timetable dates. (Note: decreases in funding can be agreed at any time)
 - d. An interim review will also be undertaken in the spring of 2021 to consider any urgent requests for increases or decreases in project indicative allocation. This review will have a turnaround time of one month and will be undertaken following closure of the annual accounts in May each year and be considered by the Investment Committee at its meeting in July.
 - e. Within the year each operational programme boards will consider requests for changes to funding allocations. Any changes to indicative funding allocations will be reported back to the Investment Committee.
 - f. Underspend on completed projects or completed operational programmes will be returned to the Transport Fund central pot to address overprogramming.

4.7 In agreeing these proposals there is a fine balance between allowing flexibility within the programme to fund exceptional requirements and ensuring there is adequate financial control. Activity will therefore be undertaken to:

- (i) Review the opportunities for transferring developed projects to alternative funding sources.
- (ii) Review all projects, within the 2021 year, to determine viability with a view to removing projects from the programme that are no longer able to progress.
- (iii) Review the methodology of risk and QRA estimates and ensure these are applied consistently across all schemes.

5 Additional approvals – Digital Skills Programme

- 5.1 The Combined Authority is bidding, through a competitive tendering process, for funding from the Department for Education's £18 million fund, which will deliver digital bootcamps across England between April 2021 and April 2022. This national roll-out is the next phase of a smaller-scale pilot the Combined Authority is currently delivering.
- 5.2 The programme will support the economic recovery of businesses and individuals across the region by developing and delivering employer-led training initiatives and innovative and responsive courses, that link directly to local digital skills needs. The programme will upskill and retrain adults looking to progress in their current role or enter digital or technical careers.
- 5.3 The Combined Authority has been approached by the Yorkshire and Humber Local Enterprise Partnerships, to lead a joint bid, because of its success in securing £1.3 million for the pilot currently in delivery. It is proposed that any additional funding builds on the current pilot model.
- 5.4 Please note that the pilot was unable to progress through the Combined Authority's assurance process at the time, due to the challenging delivery timescales, set by government, but retrospective approval will be sought for this through Investment Committee. The pilot started in January 2021 and finishes at the end of March 2021. It is being delivered by four delivery partners and will upskill and retrain 600 people, so they can consider careers in the digital sector.
- 5.5 The Combined Authority would be the lead partner in the joint bid with York and North Yorkshire, Sheffield City Region and Humber Local Enterprise Partnerships. The joint bid would seek up to £9 million. A West Yorkshire only bid would seek up to £3 million. No decision on which bid will be submitted had been made when this report was published but will be made in advance of a bid being submitted by the 12 February 2021 deadline.
- 5.6 In West Yorkshire, whatever bid is submitted, the digital skills programme will complement the existing [re] boot programme, which is being extended to support people who are recently unemployed or at risk of redundancy or on furlough, as part of the West Yorkshire Economic Recovery Plan in response to COVID-19. The [re] boot programme is seeking approval for an additional £6.5 million from the Single Investment Fund (SIF) gainshare for the extension and will be considered by the Investment Committee on 3 February 2021. This

is one of two programmes given a combined £13.5 million indicative allocation from SIF, approved by the Combined Authority on 27 November 2020.

5.7 DfE expect the funding to be awarded in April 2021 and delivery to start by June 2021, with the project being funded for one year. To maximise outputs within the timeframes, the programme needs to have completed preparations, including project development, recruitment and procurement, so it can start delivery in June 2021. To meet government's delivery timeframe (there is not another Combined Authority meeting to consider capital spending and project approvals until 22 April 2021):

5.8 The Combined Authority is requested to:

- (i) Delegate the retrospective approval, to accept and spend the funding for the £1.3 million Digital Skills pilot to the Investment Committee so that delivery can commence in line with government's delivery timeframes
- (ii) Delegate the approval, to accept and spend the additional funding for the Digital Skills Programme bid, of up to £3 million (West Yorkshire bid), or up to £9 million (joint bid); subject to the successful outcome of the funding bid, to the Investment Committee so that delivery can commence in line with government's delivery timeframes.

This will bring the total project costs to £4.3 million (West Yorkshire bid) or £10.3 million (joint bid).

6 Report

6.1 This report presents proposals for the progression of three schemes, which have been recommended for approval by the West Yorkshire and York Investment Committee and considered in line with the Leeds City Region Assurance Framework. These schemes have a total combined funding value of £64.612 million when fully approved, of which £27.87 million will be funded by the Combined Authority. A total expenditure recommendation to the value of £16.892 million is sought as part of this report for the development and delivery of these schemes. Further details on the schemes summarised below can be found as part of this report.

6.2 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 (Final 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

- 6.3 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

- 6.4 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

- 6.5 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.
- 6.6 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 3**.

Value for Money - Benefit Cost Ratios

- 6.7 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.
- 6.8 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.
- 6.9 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.

- 6.10 Her Majesty's Treasury (HMT) have now completed the review of the Green Book. The Green Book is guidance issued by HM Treasury on how to appraise policies, programmes and projects. This review has endorsed the Combined Authority's approach by clarifying that overall Value for Money judgement should not depend solely on the BCR but be informed by a balanced consideration of all relevant evidence, that is, appraisal should take account of all five cases (strategic, commercial, economic, financial and management) and the economic case be balanced with these.
- 6.11 In particular, HMT have clarified further that in assessing value for money, a stronger emphasis can now be placed on the strategic case and how the strategic objectives and priorities of the Combined Authority will be met through the delivery of a project. This might for example include, but not limited to, a greater focus on regional impacts to help deliver Levelling Up, ensuring transformational projects are given due consideration, supporting the climate change and good growth agenda (the Combined Authority aims to achieve net-zero by 2038), supporting an increase in active mode and public transport use, supporting / accelerating housing development and allowing a greater emphasis on the requirement to carry out equalities analysis as required by the Public Sector Equalities Duty. The specific approach will be determined on a programme by programme basis as funding and investment streams come forward.

<p>Scheme</p> <p>MCA Digital</p> <p>(7 January 2021 Investment Committee)</p>	<p><u>Scheme description</u></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><u>Impact</u></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><u>Decision sought</u></p> <p>Approval to proceed through decision point 2 (Strategic Outline Case) and work commences on activity 5 (Full business case with 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>
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<p>Scheme</p> <p>A64 Regent Street Bridge – Leeds City Centre Package</p> <p>Leeds (7 January 2021 Investment Committee)</p>	<p><u>Scheme description</u></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><u>Impact</u></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><u>Decision sought</u></p> <p>Approval to proceed through decision point 5 (Full business case with finalised costs) 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>
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<p>Scheme</p> <p>Thorpe Park Rail Station</p> <p>Location</p> <p>Leeds</p> <p>(3 February 2021 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This scheme involves the development of a new parkway rail station at Thorpe Park on the Leeds to York section of the Trans-Pennine rail route. The current design includes:</p> <ul style="list-style-type: none"> • Two platforms capable of accommodating six-car trains, connected with a covered footbridge • A station building with waiting areas, ticketing facilities, information point and staff facilities • Cycle facilities and bus drop-off points • Car parking with circa 500 spaces and electric vehicle charging points <p>The detailed design and procurement of the station will be led by the Combined Authority. Its operation will be organised through the Rail North Partnership (RNP) which acts on behalf of Transport for the North and the Department for Transport to manage Northern and Trans-Pennine rail franchises.</p> <p>The scheme will be funded from the West Yorkshire plus Transport Fund and Leeds Public Transport Investment Fund. Full funding for delivery of the scheme is still to be secured and a funding strategy for delivery will be set out in the full business case.</p> <p><u>Impact</u></p> <p>The scheme aims to attract new users to the rail market, improve access to labour markets for employers, reduce congestion, and improve air quality.</p> <p>It will support housing growth by providing access to employment and leisure opportunities in the West Yorkshire urban centres and improve access to the strategic / long distance rail market for residents and business in the east of the Leeds City Region</p> <p>Modal shift from car to train (particularly for short-distance journeys into the city centre) are expected to support reductions in vehicle kilometres travelled and a reduction in emissions of carbon dioxide (CO²)</p> <p>The forecast Benefit Cost Ratio (BCR) is 1: 1.9 which puts this scheme in to the 'Medium VfM' category.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 3 (Outline business case) and work commences on activity 4 (Full business case).</p> <p>Total value of the scheme - £31.642 million</p> <p>Total value of Combined Authority funding - £13.9 million</p> <p>Total Funding recommendation sought - £4.736 million</p>
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6.12 The Combined Authority's assurance framework requires that formal approval is given to the following elements of a scheme as part of its development:

- The progression of a scheme through a decision point to the next activity.

- Indicative or full approval to the total value of the scheme funding requested.
- The Combined Authority's entry into a funding agreement with the scheme's promoter.
- The assurance pathway and approval route for future decision points.
- The scheme's approval tolerances.

6.13 This report provides information required to enable the Combined Authority to approve each of the above elements.

6.14 Since the Combined Authority's meeting on 2 December 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 Investment Committee. The Investment Committee is authorised to progress a scheme under the Assurance Framework in accordance with any bespoke approval pathway and approval route, subject to an exception relating to exceeding the cumulative total of the financial approval and tolerance levels agreed by the Combined Authority by more than 25%. Decisions regarding the following schemes have, or will have been made, by the Investment Committee on 7 January 2021 and 3 February 2021. The decisions were made by the Investment Committee following a recommendation from Combined Authority Programme Appraisal Team. All the schemes outlined below have remained within the financial approvals and tolerance levels agreed by the Combined Authority unless stated otherwise below.

<p>Scheme</p> <p>One City Park</p> <p>Location</p> <p>Bradford</p> <p>(7 January 2021 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>One City Park is a proposed commercial development scheme in Bradford City Centre that will deliver over 5,000m² 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><u>Impact</u></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><u>Decision sought</u></p> <p>Approval to proceed through decision point 4 (Full business case) and work commences on activity 5 (Full business case with 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>
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<p>Scheme</p> <p>Corridor Improvement Programme Phase 1: Huddersfield Southern Corridors</p> <p>Location</p> <p>Kirklees</p> <p>(7 January 2021 Investment Committee)</p>	<p><u>Scheme description</u></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><u>Impact</u></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 & 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><u>Decision sought</u></p> <p>Approval to proceed through decision point 4 (Full business case) and work commences on activity 5 (Full business case with 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>
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Scheme	<u>Scheme description</u>
<p>Parry Lane Enterprise Zone</p> <p>Location</p> <p>Bradford</p> <p>(7 January 2021 Investment Committee)</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><u>Impact</u></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><u>Decision sought</u></p> <p>Approval to proceed through decision point 4 (Full business case) and work commences on activity 5 (Full business case with 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>Scheme</p> <p>SIIF Pipeline (Project 5)</p> <p>Location</p> <p>Leeds City Region (7 January 2021 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This project is a grant application to the Strategic Inward Investment Fund (SIIF) 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><u>Impact</u></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><u>Decision sought</u></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>
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Scheme	<u>Scheme description</u>
<p data-bbox="288 255 603 383">Leeds Public Transport Investment Programme (LPTIP) Review 2020 – Part One</p> <p data-bbox="288 396 603 562">Location Leeds (7 January 2021 Investment Committee)</p>	<p data-bbox="612 255 1388 421">The Leeds Public Transport Investment Programme (LPTIP) commenced in 2017. This is a £183.4 million programme using devolved Department for Transport funding supplemented with contributions from Leeds City Council and the Combined Authority.</p> <p data-bbox="612 434 1388 533">The programme is split into three separate packages (Bus infrastructure package, Bus delivery package, Rail package) plus an overall programme management element.</p> <p data-bbox="612 546 1388 748">The LPTIP bus infrastructure package and programme management element have been reviewed, with full input from Leeds City Council, to reflect changes in the programme and to ensure the necessary approvals are in place to move forward. Work is underway on reviewing the bus delivery and rail package and part two of the report will follow in early 2021.</p> <p data-bbox="612 761 1388 891">The changes proposed, following the review, are affordable within the overall Department for Transport funding envelope of £173.5 million, for which the Combined Authority is the accountable body and the Combined Authority's contribution of £0.97 million.</p> <p data-bbox="612 904 1388 972">The Investment Committee using the delegated authority from the Combined Authority, approved:</p> <ul data-bbox="635 985 1388 1859" style="list-style-type: none"> <li data-bbox="635 985 1388 1052">• The reallocation of schemes to other funding programmes as outlined in Appendix 4 (table 2) <li data-bbox="635 1066 1388 1133">• The reprofiled decision point 2 development costs, as set out in Appendix 4 (table 3) <li data-bbox="635 1146 1388 1254">• Additional development costs of £1.273 million for A58 Beckett Street, bringing the total development costs to £1.779 million from the LPTIP Fund <li data-bbox="635 1267 1388 1433">• That authority is delegated to the Combined Authority's Managing Director to approve, via a Change Request, additional development costs from the LPTIP Fund for the A58 Beckett Street scheme, should the costs be affordable within the LPTIP programme. <li data-bbox="635 1447 1388 1554">• Additional development costs of £0.716 million for Alwoodley Gates Park and Ride bringing the total development costs to £0.916 million from the LPTIP Fund <li data-bbox="635 1568 1388 1733">• An additional £1.558 million for programme management costs, bringing the total programme management costs to £5.558 million from the LPTIP Fund and full approval to spend programme management of costs £5.558 million, from the LPTIP Fund <li data-bbox="635 1747 1388 1859">• That the Combined Authority issues addendums to the existing Funding Agreements with Leeds City Council for expenditure from the LPTIP Fund. <p data-bbox="612 1872 1388 1917"><u>Impact</u></p> <p data-bbox="612 1921 1388 2020">This programme aims to support economic growth by unlocking transport constraints, improve public transport journey times, reliability and usage and improve health outcomes by reducing</p>

	<p>overall transport emissions. In this way, the programme seeks to contribute towards the doubling of bus patronage over a 10-year period in a manner which contributes to carbon reduction by encouraging modal shift away from the private car and supports inclusive growth by making it easier to access education, employment, and public services</p> <p><u>Decision sought</u></p> <p>Approval of the changes proposed following the review of the programme.</p> <p>Total scheme value - £183.4 million</p> <p>Total value of Combined Authority funding - £174.47 million</p> <p>Funding recommendation sought - £0</p>
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<p>Scheme</p> <p>Bradford 'City Village' Phase 1</p> <p>Location</p> <p>Bradford</p> <p>(3 February 2021 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This scheme forms part of a wider 10-year regeneration plan to repurpose and revitalise Bradford City Centre to create a green and sustainable neighbourhood, a new independent shopping sector and new business space through consolidation and redevelopment.</p> <p>Bradford City Village Phase 1 will develop an attractive independent retail offer, providing a modern and diverse community-based shopping experience, at the heart of which will be the new Darley Street market. The new market will replace the existing outdated Oastler Centre and will release the land for redevelopment and the Kirkgate Market will be closed.</p> <p>The scheme will be funded from the Getting Building Fund (GBF).</p> <p><u>Impact</u></p> <p>The scheme has the potential to create up to 400 new direct and indirect jobs (gross) through the occupation of commercial floorspace along with directly and indirectly safeguarding an additional 300 jobs.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 4 (full business case) and work commences on activity 5 (full business case with finalised costs).</p> <p>Total value of the scheme - £23.3 million</p> <p>Total value of Combined Authority funding - £3 million</p> <p>Funding recommendation sought - £0 million</p>
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<p>Scheme</p> <p>Knottingley Skills, Business and Services Hub</p> <p>Location</p> <p>Wakefield</p> <p>(3 February 2021 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>The Knottingley Skills, Business and Services Hub Project focuses on the refurbishment and repurpose of the existing Kellingley Miner's Welfare building to become a centralised community hub that supports skills and employability within the local area. The project will promote a range of community based active lifestyles and sport initiatives, increasing health and wellbeing through a facility that will bring together a range of community groups and Council services working collectively to support the community and surrounding areas.</p> <p>This scheme will deliver a building that is modern, sustainable and has minimum impact on the environment, which supports the Councils Climate and Environment (Zero Carbon 2030) Agenda.</p> <p>Wakefield Council is the freehold owner of the land. The existing Trust is to relinquish its lease of the existing building and the Council will gain full control so that it can carry out the work. Following refurbishment, the Council intends to award the lease to a newly created third sector organisation.</p> <p>The scheme will be funded from the Getting Building Fund (GBF).</p> <p><u>Impact</u></p> <p>The Knottingley Skills, Business and Services Hub is a key enhancement project for Knottingley, aligning to the Knottingley master plan, which itself is a major project to improve housing, recreation, and sport for the town.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 4 (full business case) and work commences on activity 5 (full business case with finalised costs)</p> <p>Total value of the scheme - £3 million</p> <p>Total value of Combined Authority funding - £1 million</p> <p>Funding recommendation sought - £0.157 million</p>
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<p>Scheme</p> <p>Leeds City Centre Grey to Green</p> <p>Location</p> <p>Leeds</p> <p>(3 February 2021 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>The scheme will deliver a series of public space, greenspace and walking and cycling connectivity improvements between Leeds South Bank and the city centre. It consists of:</p> <ul style="list-style-type: none"> • A new footbridge across the River Aire from Sovereign Square to connect the South Bank to the city centre and Leeds Railway Station • A new green space on Meadow Lane (replacing an existing surface car park) that will form an entrance to the planned “Aire Park” on the former Tetley site. • Additional public space improvements in the area linked to the Corn Exchange Gateway. • The redesign of Crown Point Road to improve connectivity between Aire Park and key uses in the area including education facilities and transport hubs. <p>The scheme will be funded from the Getting Building Fund (GBF).</p> <p><u>Impact</u></p> <p>The scheme will directly deliver 6,700 m² of new green space and public space, 1.4 kilometre of cycling and walking improvements and an annual reduction in CO2 of 3,500 kilograms. When completed it has the potential to support up to 2,445 new/safeguarded jobs and provide 33,944 m² of new commercial floorspace and unlock the delivery of 1,150 new houses across Leeds South Bank.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 4 (Full business case) and work commences on activity 5 (Full business case with finalised costs).</p> <p>Total value of the scheme - £11.886 million</p> <p>Total value of Combined Authority funding - £8.6 million</p> <p>Funding recommendation sought - £0 million</p>
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<p>Scheme</p> <p>White Rose Rail Station</p> <p>Location</p> <p>Leeds</p> <p>(3 February 2021 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>This scheme will deliver a new rail station on the Leeds-Huddersfield line. The proposed station will sit between Morley and Cottingley on the Transpennine Route. This scheme will enable modal shift from road to rail and provide a better service for the local communities of Cottingley, Churwell and Millshaw. The scheme will be funded from the Leeds Public Transport Investment Programme, Transforming Cities Fund and other public and private sector match funding.</p> <p>The scheme will be funded from the Leeds Public Transport Investment Fund and the Transforming Cities Fund</p> <p><u>Impact</u></p> <p>This scheme contributes to the delivery of all four Leeds Enterprise Partnership Strategic Economic Plan priority areas: Growing Businesses, Skilled People, Better Jobs, Clean Energy and Environmental Resilience and Infrastructure for Growth.</p> <p>The scheme has a forecast benefit cost ratio of 3.01:1 judging the scheme as high value for money when assessed against the Department for Transport's value for money criteria.</p> <p>The scheme's wider social benefits include enhanced access to employment and training opportunities at the White Rose Office Park. The station will provide the catalyst for continued expansion of the Office Park and wider economic development of the area contributing to regeneration in South Leeds. It will provide an accessible rail station for commuters and shoppers including the provision of step free access between platforms. A reduction in emissions is also expected because of modal shift from road to rail.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 4 (full business case) and work commences on activity 5 (full business case with finalised costs).</p> <p>Total value of the scheme – £24.198 million</p> <p>Total value of Combined Authority funding - £17 million</p> <p>Funding recommendation sought - £0 million</p>
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<p>Scheme</p> <p>A647 Corridor</p> <p>Location</p> <p>Leeds</p> <p>(3 February 2021 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>The scheme consists of a series of bus prioritisation improvements, and complementary cycling and walking measures on the A647 between Armley Gyratory in Leeds and the Leeds Road Gyratory in Bradford.</p> <p>The scheme includes the provision of new bus, the conversion of the existing High Occupancy Vehicle (HOV) lane to a bus lane, and the relocation of bus stops along the route. The scheme also includes improvements to signalised junctions to upgrade crossing facilities and allow for bus priority.</p> <p>The scheme will be funded from the West Yorkshire plus Transport Fund and Leeds Public Transport Investment Fund</p> <p><u>Impact</u></p> <p>The scheme primarily supports Priority Area 4 (Infrastructure for Growth) of the Strategic Economic Plan through investment in sustainable transport infrastructure to support inclusive growth and regeneration.</p> <p>The scheme aims to encourage more people to use public transport by reducing bus journey times and improving bus punctuality and encourage more walking and cycling and will support clean growth through the reduction in car trips and car kilometres on the road network into and out of Leeds City Centre, contributing to improved air quality.</p> <p>The scheme is anticipated to have wider social benefits, by promoting inclusive growth by improving accessibility to public transport and consequently to employment and training opportunities for the local population, in an area considered one of the most deprived in the country and which is largely dependent on bus use.</p> <p>The scheme's value for money assessment reflects a benefit cost ratio (BCR) of 5.97:1 which represents 'Very High' value for money.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 5 (full business case with finalised costs) and work commences on activity 6 (delivery).</p> <p>Total value of the scheme - £19.656 million</p> <p>Total value of Combined Authority funding - £14.027 million</p> <p>Funding approval sought - £14.027 million</p>
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<p>Scheme</p> <p>Leeds City Region Employment Hubs – Supporting the Economic Recovery Plan</p> <p>Location</p> <p>Leeds City Region (3 February 2021 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>The Leeds City Region Employment Hub programme increases client contact with and understanding of business by establishing clear links between education and business and promoting apprenticeships. The programme also plays a key role in ensuring businesses have the right skills to grow and individuals can enhance their skills and access the right opportunities through an impartial brokerage service.</p> <p>The programme is one of two existing programmes, which will be enhanced and extended to support people in West Yorkshire, as part of the West Yorkshire Economic Recovery Plan in response to COVID-19.</p> <p>This Change Request is seeking full approval for £7 million from the Single Investment Fund (SIF) gainshare, to enable the programme to expand, increasing the capacity of the Employment Hubs, to support people of all ages who have been made redundant, are at risk of being made redundant or are on furlough because of COVID-19, to move into employment as quickly as possible.</p> <p>New courses will also be developed to support new priority sectors and/or commissioned to respond to changes and new working practice and employment opportunities.</p> <p><u>Impact</u></p> <p>The programme will support 5500 individuals across West Yorkshire into training and employment, (subject to jobs existing). The programme also has the potential to contribute to the Strategic Economic Framework targets to increase % of 16-64 resident population into employment, improved productivity and decrease the percentage of those aged 16-64 with highest qualification below level 2 or no formal qualification.</p> <p><u>Decision sought</u></p> <p>Approval of this Change Request to Leeds City Region Employment Hubs to extend the programme to support the West Yorkshire Economic Recovery Plan</p> <p>Total value of the scheme - £17.356 million</p> <p>Total value of Combined Authority funding - £14.513 million</p> <p>Funding recommendation sought - £7 million</p>
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<p>Scheme</p> <p>[re] boot - Adult Retraining Programme</p> <p>Location</p> <p>Leeds City Region</p> <p>(3 February 2021 Investment Committee)</p>	<p><u>Scheme description</u></p> <p>The current [re] boot programme actively targets individuals in work, graduates who are underemployed or under-utilised and therefore disadvantaged in the labour market, individuals who are returning to the labour market after a period of absence and people considering a career change.</p> <p>The programme is one of two existing programmes, which will be enhanced and extended to support people in West Yorkshire, as part of the West Yorkshire Economic Recovery Plan in response to COVID-19.</p> <p>This Change Request is seeking full approval for £6.5 from the Single Investment Fund (SIF) gainshare, to enable the programme to provide additional capacity to meet demand both in terms of staffing and the cost of providing training programmes for those recently unemployed or at risk of redundancy, currently furloughed or looking to change or transition into a new career. Training will be focussed on priority sectors for employment growth including digital, green economy / construction, and health and social care. Training will also support those who are in work and at risk of redundancy or need to upskill or diversify to prevent being made redundant.</p> <p>The programme development will involve employers and will include new courses to support new priority sectors and new working practices and employment opportunities, so that the training responds to and supports employers' vacancy/skills needs.</p> <p><u>Impact</u></p> <p>The programme will retrain an additional 4,500 adults over two years, as part of the programme extension, supporting newly unemployed people to return to work quickly in key sectors. The enhanced programme will also provide more flexibility to respond to the training needs of employers.</p> <p><u>Decision sought</u></p> <p>Approval of this Change Request to [re]boot to extend the programme to support the West Yorkshire Economic Recovery Plan</p> <p>Total value of the scheme - £9.645 million</p> <p>Total value of Combined Authority funding - £9.37 million</p> <p>Funding recommendation sought - £6.5 million</p>
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7 Information

- 7.1 Location maps for each of the schemes presented in this report (where applicable) are provided in **Appendix 5**.
- 7.2 All the schemes set out in this report have been or will have been considered by the Investment Committee on 7 January 2021 or 3 February 2021.

Projects in stage 1: Eligibility

Project Title	MCA Digital
Stage	1 (eligibility)
Decision Point	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

- 7.3 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.
- 7.4 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.
- 7.5 Despite the success of CTP, the Combined Authority still requires further work to become a truly Digital First organisation.
- 7.6 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.

7.7 The scheme will be funded by the Combined Authority from borrowing or the use of capital receipts.

7.8 A summary of the scheme's business case is included in Appendix 2.

Clean Growth / Climate Change Implications

7.9 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

7.10 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.

7.11 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.

7.12 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

7.13 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

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

7.15 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 Decision: Combined Authority's Director of Delivery	31/08/2022

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

Senior Responsible Officer	David Gill
Scheme Manager	Bill Cookson
Combined Authority Lead Appraiser	Craig Taylor

Appraisal Summary

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

Recommendations

- 7.19 The Combined Authority approves that:
- 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).
 - 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

Project Title	A64 Regent Street Bridge – Leeds City Centre Package
Stage	2 (development)
Decision Point	5 (full business case with finalised costs)

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

- 7.20 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.
- 7.21 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.
- 7.22 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.
- 7.23 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.

- 7.24 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.
- 7.25 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.
- 7.26 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.
- 7.27 Members at the Investment Committee of 9 June 2020, as part of the Armley Gyratory 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.
- 7.28 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.
- 7.29 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.
- 7.30 A summary of the scheme’s business case and location map is included in Appendix 6.

Clean Growth / Climate Change Implications

- 7.31 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.

- 7.32 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

- 7.33 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

- 7.34 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

- 7.35 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

- 7.36 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.

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

Recommendations

7.38 The Combined Authority approves that:

- (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.

Project Title	Thorpe Park Rail Station
Stage	2 (development)
Decision Point	3 (outline 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

- 7.39 The Thorpe Park Railway Station scheme will be funded from the Leeds Public Transport Investment Programme (LPTIP) and the West Yorkshire plus Transport Fund (WY+TF).
- 7.40 The scheme involves the development of a new parkway rail station at Thorpe Park on the Leeds to York section of the Trans-Pennine rail route. The proposed station would be situated immediately south west of the junction between Manston Lane and the newly constructed southern section of the East Leeds Orbital Road.
- 7.41 The general layout and design of the proposed the station is driven by passenger demand projections which assume two trains per hour on opening and capacity for up to four trains per hour. This is based on an indicative off-peak standard-hour timetable developed for Network Rail as part of the Trans-Pennine Route Upgrade (TRU) project. It will include the following features:
- Two platforms capable of accommodating six-car trains, connected with a covered footbridge
 - A station building with waiting areas, ticketing facilities (type i.e. whether ticket machines and/or ticket office, is yet to be determined but will be presented in the Full Business Case), information point and staff facilities
 - Cycle facilities and bus drop-off points
 - Car parking with circa 500 spaces and electric vehicle charging points
- 7.42 The scheme supports the delivery of headline indicators in the Strategic Economic Plan (SEP) across all four priorities

- Priority 1 (Growing Business); by improving rail connections to enable employers to have access to a wider labour market
 - Priority 2 (Skills, People and Better jobs); by improving access to jobs and training opportunities
 - Priority 3 (Clean energy and Environmental Resilience); by encouraging more people to travel by public transport, helping to improve air quality and reduce carbon emissions
 - Priority 4 (Infrastructure for Growth); by reducing journey times and improving connections to the city centre and other employment areas.
- 7.43 A number of options are under consideration for the further development and subsequent delivery of the scheme. These include the Combined Authority, as the scheme promoter, procuring the design for the scheme to the end of GRIP (Governance for Railway Investment Projects) Stage 4 and then procuring a design and build contract for GRIP Stage 5 to 8 (detailed design to project completion).
- 7.44 The operation of the rail station will be organised through the Rail North Partnership (RNP) which acts on behalf of Transport for the North and the Department for Transport to manage Northern and Trans-Pennine rail franchises. When completed, before accepting the station within the current franchise, RNP will expect the scheme promoter of the new rail station, to underwrite the revenue risks of the scheme for at least the first three years of operation.
- 7.45 The forecast cost to deliver the scheme is £31.642 million. The Combined Authority will contribute £13.9 million with £3.8 million from the Leeds Public Transport Investment Programme (LPTIP) and £10.1 million from the West Yorkshire plus Transport Fund (WY+TF). A bid for a further £7 million towards scheme costs has been made to the Department for Transport (DfT) New Stations Fund 3 and the Combined Authority is seeking further capital funding, from other sources, to address the current shortfall. As full funding is still to be secured, a funding strategy for delivery of the project will be set out in the full business case.
- 7.46 A summary of the scheme's business case and location map is included in **Appendix 2**.

Clean Growth / Climate Change Implications

- 7.47 Modal shift from car to train (particularly for short-distance journeys into the city centre) is expected to support reductions in vehicle kilometres travelled and a reduction in emissions of carbon dioxide (CO²) by over 6,000 tonnes per annum over a 60-year period. Further work to establish the climate change implications of the scheme will be undertaken as it progresses through the Combined Authority's assurance process.

Outputs, Benefits and Inclusive Growth Implications

7.48 The scheme outputs and benefits include:

- Attracting new users to the rail market, improving access to labour markets for employers, reducing congestion, and improving air quality on Leeds' arterial roads – with over 900,000 road vehicle-kilometre savings per annum from 2024/25
- Supporting housing growth by providing access to employment and leisure opportunities in the West Yorkshire urban centres – with up to 200,000 additional rail journeys per annum from 2024/25
- Improved access to the strategic / long distance rail market for residents and business in the east of the Leeds City Region – with over 13,000 new-to-rail users on these routes per annum from 2024/25

7.49 The potential benefits of the scheme have been monetised to establish a Benefit Cost Ratio (BCR). The forecast BCR is 1: 1.9 which puts this scheme in to the 'Medium VfM' category. However, it is recognised that there are considerable uncertainties in the economic appraisal, for example the delivery of the TRU, which could impact on the BCR.

7.50 The design of the scheme is supported by an Equalities Impact Assessment (EqIA) with the aim of establishing a fully accessible station (including access by lift, ramp, and stairs to both platforms) alongside the provision of rail services to key employment, education, and other community facilities.

Risks

7.51 The scheme risks include:

- Capital funding shortfall delays the delivery of the scheme – mitigated by the application to the DfT New Station Fund, securing private sector investment from the adjacent landowner Scarborough Group, and assessing other funding options including from government
- Revenue risks to the Combined Authority (operating deficits and asset management and maintenance costs) – mitigated through the development of the procurement strategy and the allocation of risk between delivery/operational partners
- Uncertainty around the scope of the Trans-Pennine Route Upgrade (TRU) in supporting growth in rail services at the station (from two to four trains per hour) - mitigated through ongoing engagement with TRU programme
- Costs increases associated with significant earthworks (including potential contaminants) - mitigated by intrusive ground investigation surveys and allowances for risk, contingency, and inflation in the cost plan (16%)

- Cost increases associated with improvements to road junction capacity enhancements – mitigated by a Transport Assessment to support scheme design
- Uncertainty over the impact of COVID-19 on commuting and business travel rail passenger demand – mitigated by ongoing sensitivity testing of key assumptions in the business case.

Costs

- 7.52 The total forecast scheme cost is £31.642 million. The Combined Authority's contribution is £13.9 million, comprising of £3.8 million from LPTIP and £10.1 million from West Yorkshire plus Transport Fund (WY+TF), which includes £0.5 million development costs which have been approved previously.
- 7.53 An application for £7 million towards scheme costs has been made to the DfT New Stations Fund 3 and the Combined Authority is seeking further capital funding, from other sources, to address the current shortfall and a funding strategy for delivery of the scheme will be set out in the full business case.
- 7.54 There is a £3.4 million (subject to valuation) requirement for land assembly fees. This will be funded utilising the £3.8 million LPTIP allocation. The remaining £0.4 million LPTIP allocation will part-fund the commencement of the next stage of development (GRIP Stage 4).
- 7.55 The remaining cost of GRIP Stage 4 will be funded using the West Yorkshire Plus Transport Fund to enable the scheme to progress to decision point 4 (Full business case)

Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
3 (outline business case)	Recommendation: Investment Committee Decision: Combined Authority	04/03/2021
4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	30/04/2022
5 (full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	31/05/2022

Other Key Timescales

- Funding and Network Rail approval secured – March 2021

- Planning consent secured – February 2022
- GRIP Stage 4 completed – April 2022
- Start on site – November 2022
- Scheme completion – April 2024

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 the timeframes remain within 3 months of those outlined in this report.

Project Responsibilities

Senior Responsible Officer	Dave Haskins, West Yorkshire Combined Authority
Project Manager	Pete Coello, West Yorkshire Combined Authority
Combined Authority case officer	Ian McNichol, West Yorkshire Combined Authority

Appraisal Summary

- 7.56 The outline business case (OBC) has come forward after an extended period of scheme development. The strategic case for a new parkway railway station in this location is well made and a design solution is broadly agreed with key stakeholders including Network Rail.
- 7.57 Subject to approval of Combined Authority funding there is further work to do to establish a robust procurement strategy and secure the further funding necessary to progress the scheme to delivery. The delivery programme set out is dependent on this.
- 7.58 There are both capital and revenue funding risks for the Combined Authority as the scheme promoter and these will need to be addressed at the next stage of the assurance process.
- 7.59 The scale of potential benefits arising from the delivery of the scheme are subject to several forecasting assumptions around rail passenger demand and the availability of rail services. These will need to be strengthened to underpin the rationale for securing further funding from the government and the private sector.

Recommendations

7.60 The Combined Authority approves that:

- (i) The Thorpe Park Rail Station scheme proceeds through decision point 3 and work commences on activity 4 (Full business case).
- (ii) An indicative approval to the Combined Authority's contribution of £13.9 million (£3.8 million from the Leeds Public Transport Investment Programme and £10.1 million 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 £31.642 million.
- (iii) Development funding of £3.8 million is approved from the Leeds Public Transport Investment Programme to enable the scheme to progress to decision point 4 (Full business case).
- (iv) Development funding of £0.936 million is approved from the West Yorkshire Plus Transport Fund to enable the scheme to progress to decision point 4 (Full business case), bringing the total development costs from the WY + TF to £1.436 million.
- (v) The Combined Authority enter into a legal agreement with Leeds City Council to secure land required for the delivery of the scheme.
- (vi) 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.

Projects in Stage 3: Delivery and Evaluation

7.61 There are no projects in this stage to be approved in this report.

8 Clean Growth Implications

8.1 Clean growth implications are outlined in each scheme, see above.

9 Inclusive Growth Implications

9.1 The inclusive growth implications are outlined in each scheme, see above.

10 Financial Implications

10.1 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.

11 Staffing implications

11.1 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.

12 External consultees

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

13 Recommendations

West Yorkshire plus Transport Fund Review 2020

13.1 The Combined Authority approves:

- (i) The proposed revised funding allocations as set out in Appendix 1.
- (ii) A number of requests for funding were received for projects within operational programmes. Costs should be managed within the operational programme allocation. It is proposed that any changes to individual projects should be considered by each operational programme board and final recommendations brought for approval to the Investment Committee as and when required. These requests must remain within the envelope of each operational programme.
- (iii) The original purpose of the Corridor Improvement Programme was to provide small to medium scale measures to road corridors to improve traffic flow and bus access. Informal agreement was that costs per project should not exceed £15 million. It is requested that this should be formalised which will help to ensure that the programme budget can be managed within the current funding envelope.
- (iv) The revised programme dates for each project as set out in Appendix 2.

- (v) That in future:
- Over-programming will be capped at the current level (£115.19 million or 11.5%).
 - All indicative funding levels will be capped, except:
 - a. Where projects are part of an operational programme in this case funding can move between projects or take up unallocated programme headroom funding (all amendments to allocations within operational programmes must be approved by the Investment Committee).
 - b. In exceptional circumstances. Officers of the Combined Authority and partner councils will work together to set out the events that would trigger this consideration. Any additional funding requirement will be subject to the availability of headroom within the overprogramming and would need to be agreed before the business case can be approved.
 - c. The Transport Fund will continue to be reviewed annually (commencing in August each year to inform the annual budget setting process). The scope of the review will include: any increased requirement for funding; actual spend and forecast spend; review of overall progress (number of projects in development, delivery and complete); monitoring of the level of over-programming and the estimates of QRA /contingency; and project timetable dates. (Note: decreases in funding can be agreed at any time)
 - d. An interim review will also be undertaken in the spring of 2021 to consider any urgent requests for increases or decreases in project indicative allocation. This review will have a turnaround time of one month and will be undertaken following closure of the annual accounts in May each year and be considered by the Investment Committee at its meeting in July.
 - e. Within the year each operational programme boards will consider requests for changes to funding allocations. Any changes to indicative funding allocations will be reported back to the Investment Committee.
 - f. Underspend on completed projects or completed operational programmes will be returned to the Transport Fund central pot to address overprogramming.

Digital Skills Programme

13.2 The Combined Authority approves to:

- (i) Delegate the retrospective approval, to accept and spend the funding for the £1.3 million Digital Skills pilot to the Investment Committee so that delivery can commence in line with government's delivery timeframes

- (ii) Delegate the approval, to accept and spend the additional funding for the Digital Skills Programme bid, of up to £3 million (West Yorkshire bid), or up to £9 million (joint bid); subject to the successful outcome of the funding bid, to the Investment Committee so that delivery can commence in line with government's delivery timeframes.

MCA Digital

13.3 The Combined Authority approves that:

- (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.

A64 Regent Street Bridge – Leeds City Centre Package

13.4 The Combined Authority approves that:

- (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.

Thorpe Park Rail Station

13.5 The Combined Authority approves that:

- (i) The Thorpe Park Rail Station scheme proceeds through decision point 3 and work commences on activity 4 (Full business case).
- (ii) An indicative approval to the Combined Authority's contribution of £13.9 million (£3.8 million from the Leeds Public Transport Investment Programme and £10.1 million 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 £31.642 million.
- (iii) Development funding of £3.8 million is approved from the Leeds Public Transport Investment Programme to enable the scheme to progress to decision point 4 (Full business case).
- (iv) Development funding of £0.936 million is approved from the West Yorkshire Plus Transport Fund to enable the scheme to progress to decision point 4 (Full business case), bringing the total development costs from the WY + TF to £1.436 million.
- (v) The Combined Authority enters into a legal agreement with Leeds City Council to secure land required for the delivery of the scheme.
- (vi) 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.

14 Background Documents

- 14.1 Business case summaries for the schemes recommended for approval by the Investment Committee on 7 January 2021 and 3 February 2021 are available here:

[7 January 2021 Investment Committee](#)

[3 February 2021 Investment Committee](#)

15 Appendices

Appendix 1 - Transport Fund Review Finances

Appendix 2 - Transport Fund Review Programmes

Appendix 3 - Background to the Combined Authority's assurance framework

Appendix 4 – LPTIP detailed costs and proposed approvals

Appendix 5 – Location maps for the schemes presented in this report