
Report to: West Yorkshire Combined Authority

Date: 29 July 2021

Subject: **Capital Spending and Project Approvals**

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1 Purpose of this report

- 1.1 To report on proposals for the progression of, and funding for, a number of West Yorkshire Combined Authority supported projects that have been considered at stages 1, 2 and 3 of the Combined Authority's assurance process.
- 1.2 Given the changes to the committee arrangements approved at the Combined Authority meeting on 24 June 2021, the schemes being considered for approval today have come directly to the Combined Authority due to expediency of delivery.
- 1.3 The recommendations can be found in Section 14 of this 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 Tackling the Climate Emergency Implications

- 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.
- 3.3 Work is currently underway to refine the toolkit methodology by assessing a selection of existing capital schemes progressing through the assurance process. The outcomes of these assessments, including any potential mitigation of carbon impact will be available from September 2021. This represents a slight delay due to difficulties encountered carrying out carbon impact assessments on an initial subset of schemes. This has allowed the consultants to take these challenges into account in making improvements to the methodology. 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.
- 3.4 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 Additional approval

Clifton (Calderdale) Enterprise Zone Business Rates Receipt

- 4.1 The Clifton EZ at 23 hectares is one of the largest Phase 2 EZ sites within the EZ programme and represents a third of Calderdale Council's employment land within its emerging Local Plan. It is the only EZ within Calderdale.
- 4.2 The Clifton EZ site, which is in multiple private ownerships, requires significant investment to address on-site barriers in advance of a viable scheme being offered to the market for commercial development, estimated at £35.5 million. Over the last 12 months the Combined Authority have been working closely with Calderdale Council to consider how a funding package for the scheme might be facilitated.
- 4.3 After other considerations and discussions with Calderdale, the Council have asked the LEP / Combined Authority to consider the foregoing of its future business rates income stream from the Clifton site – estimated at circa £16 million in total - to enable the Council to prudentially borrow the capital required to deliver a scheme of enabling works. The Council have also submitted a Levelling Up Fund bid to central Government which, if successful, would match-fund the Combined Authority's investment to enable the site to come forward for early development.
- 4.4 The investment requested from the Combined Authority supports the objectives of the Covid-19 Economic Recovery Plan for accelerated infrastructure linked to employment opportunities. The funding contribution will contribute to a wider funding package being pulled together by the Council and potentially unlock 492,868 sqft of new commercial space with the ability to generate over 1300 jobs and £214 million GVA up to 2040.
- 4.5 The LEP Board discussed the proposal at its meeting on 21 July 2021 and now recommends that:
- 4.6 The Combined Authority approves that:
- (i) Calderdale Council retains future business rates income generated from the Clifton Enterprise Zone (up to March 2042) with the following conditions.

Conditions

- (i) Approval of the Clifton EZ scheme through the Combined Authority's Assurance Framework and the Council entering into an appropriate investment agreement(s) with the Combined Authority;
- (ii) The total future business rates income from the Clifton EZ site to be retained by the Council in support of the scheme will be the minimum required to match fund the project after all other funding has been secured and shall only be used for the project as defined in the full business case (which is pending approval);

- (iii) The Council securing all further match-funding to deliver the scheme;
- (iv) Evidence of a Council resolution to prudentially borrow the necessary funding in support of the scheme for which the business rates income is being sought;
- (v) Where the Council is the landowner (including after any land acquisitions or Compulsory Purchase required to progress the scheme), the reinvestment of capital receipts due to the Council from future land sales on the Clifton site into the total funding package.
- (vi) This is a standalone decision for the Clifton EZ site and should not be viewed as a regional precedent for other emerging projects on EZ or other sites in the future.

4.7 The Combined Authority approves that:

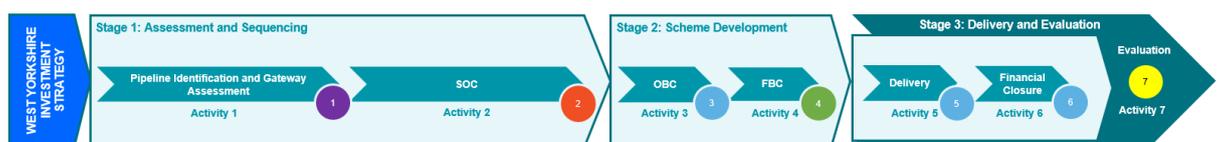
- (i) Calderdale Council retains future business rates income generated from the Clifton Enterprise Zone (up to March 2042) with the conditions detailed in 4.4.

5 Report

5.1 This report presents proposals for the progression of five schemes. Given the changes currently underway in relation to the Combined Authority’s approval of investment for schemes, following June’s Combined Authority meeting, the schemes being considered for approval today have come directly to the Combined Authority for expediency of delivery. These schemes have a total combined funding value of £106.362 million when fully approved, of which £61.552 million will be funded by the Combined Authority. A total expenditure recommendation to the value of £25.072 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.

5.2 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 4 (full business case), with the requirement to meet the intervening activities deemed on a project-by-project basis.

5.3 For more detail on the Combined Authority’s Assurance Framework through which each of the schemes outlined in this report are being approved is provided in **Appendix 1**.



Stage 1: Assessment and Sequencing

- 5.4 Programmes / schemes will start to be developed through an ongoing dialogue with the Region's businesses, third sector and public organisations, in line with the WYIS. Schemes will access funding through either a commissioning process or through open calls. Programmes / schemes will be assessed through a Strategic Assessment (an early-stage gateway check and challenge review) to determine if they are eligible to proceed (Decision Point 1).
- 5.5 If approved the scheme will progress to strategic outline case (SOC), where schemes will be expected to demonstrate a strategic fit in terms of project outcomes and set out their proposed approach to establishing value for money (VfM). At this stage, a long list of options will be considered with a shortlist being presented in the 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. Schemes will also be required to submit an Appraisal Specification Report (ASR). It is at the end of this stage where the Combined Authority approve the indicative funding, approval pathway and route and tolerance levels (Decision Point 2).

Stage 2: Scheme Development

- 5.6 If approved the scheme will progress to outline business case (OBC) unless the approval pathway set at decision point 2 does not require this. The OBC should revisit the options identified within the SOC to identify the option which optimises public value, confirm the affordability of the scheme and put in place the arrangements to ensure successful delivery. The OBC should be prepared in accordance with the Green Book five-case model and should include a draft Monitoring and Evaluation Plan and a Benefit Realisation Plan. The Economic Case must be developed in consistency with the agreed ASR. Guidance will be provided to scheme promoters around the level of detail to be submitted at this stage with regards to proportionality of the business case. The scheme will be presented for approval by the decision-maker (Decision Point 3) as set out in the approval pathway and route approved at Decision Point 2.
- 5.7 If approved the scheme will progress to full business case (FBC) which will confirm the contractual arrangements for the preferred option. Affordability of the scheme is reiterated, and the scheme puts in place the final arrangements for delivery and monitoring and evaluation of the scheme. A Monitoring and Evaluation Plan and a Benefit Realisation Plan are mandatory products at this stage. The FBC should also be prepared in accordance with the five-case model and any conditions set at OBC should be resolved. The economic case must be developed in consistency with the agreed ASR. The scheme will be presented for approval by the decision-maker (decision point 4) as set out in the approval pathway and route approved at decision point 2.
- 5.8 The FBC approval will be granted with a condition that the scheme remains within set conditions. Where this condition has been met Approval to Proceed into Delivery (Activity 5) will be granted by the Managing Director (or by an

officer under sub-delegated authority from the Managing Director). If the condition(s) is not met, the project will be required to re-submit the FBC.

Stage 3: Delivery and Evaluation

- 5.9 Once a scheme gains FBC approval and the conditions set have been met, the scheme can progress into Activity 5 (Delivery).
- 5.10 Upon scheme completion, a Delivery Closure Report is required that details how the scheme has performed. This includes whether delivery has remained within the timeframes specified within the business case, has achieved the objectives of the scheme and associated outputs, documents what has been delivered and highlights the overall costs. The Delivery Closure Report will be presented for approval by the decision-maker (Decision Point 5) as set out in the approval pathway and route approved at Decision Point 2.
- 5.11 Following completion of Activity 6, the scheme will be required to submit a Financial Closure Report (Activity 6). The Financial Closure Report confirms the final costs for the scheme, ensuring all payments have been completed. The Financial Closure Report will be presented for approval by the decision-maker (Decision Point 6) as set out in the approval pathway and route approved at Decision Point 2.
- 5.12 The purpose of the Delivery and Financial Closure Reports is to assess the success of the scheme, identify best practice for future schemes, resolve all open issues and to capture feedback and lessons learnt to inform the development and delivery of future schemes.
- 5.13 Activity 7 (Evaluation) will be managed by the Combined Authority's Research & Intelligence team. This is a reporting point as opposed to the previous decision points in the process and will be undertaken when the scheme is completed for an evaluation of the benefits, outcomes and economic impact compared to the overall objectives set out in the SOC. Insights and learning intelligence from evaluation will also be fed back into policy and strategy in order to inform the design and development of future schemes. Interim evaluations may also be undertaken as required as set out in the Monitoring and Evaluation Plan.

Transition

- 5.14 There will be a transition period to the new Assurance Framework due to business cases being submitted and appraised prior to the new Assurance Framework being approved by the Government. Therefore, some of the schemes presented in this report reflect the old Assurance Framework (highlighted).

Value for Money - Benefit Cost Ratios

- 5.15 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.

- 5.16 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.
- 5.17 However, a key strategic objective of investment is to encourage modal switch to more sustainable modes and therefore whilst the 'core' BCR (i.e. following Green Book guidance on total impact on the society as a whole) for some schemes may be low, discounting the dis-benefits to car users from the appraisal will result in a higher BCR and where possible this 'range of BCR' will be presented to support decision making. This is in line with HM Treasury guidance where appraisal should take account of all five cases (strategic, commercial, economic, financial and management) and the economic case be balanced with these.
- 5.18 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.
- 5.19 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.

British Library for the North (Temple Works)

Leeds

Scheme description

The British Library North project aims to deliver a new British Library for the North, in Leeds. The preferred site is the Grade I listed building, Temple Works, within the South Bank area of the city. This funding request will facilitate the development works required to inform the British Library of the viability of Temple Works.

If viable, the project will involve the restoration and refurbishment of Temple Works to establish a new 8,000m² facility for the British Library, providing learning, community, research, business incubation, events, and exhibition space.

The £25 million from the Devolution Deal will be split into two phases. This initial phase requests up to £5.000 million development costs to fund temporary stabilisation works to allow access to the building, specialist survey work, further design work, alongside funding of £0.350 million for programme management costs within the Combined Authority to support the scheme. The £5.000 million development costs are to determine affordability of the scheme at Temple works.

The second phase is subject to further approval and will request the remaining funds of £19.650 million for the delivery of a new British Library facility either at Temple Works or an alternative location in Leeds if Temple Works proves unviable.

Impact

The scheme will provide new jobs and apprenticeships during its construction and operation and enable the British Library to deliver an accessible learning and education resource. It will also create space for businesses, entrepreneurs, and has potential to attract around 500,000+ additional visitors to the Leeds City Region and have a region-wide economic impact.

Temple Works is in one of the most deprived wards in England, and the scheme supports the priorities of the Strategic Economic Framework (SEF) to enable inclusive growth and boost productivity. It has the potential to deliver the following outputs:

- 70 full time equivalent construction jobs
- 45 new jobs in the cultural sector
- new construction heritage apprenticeships
- 8,000m² of new cultural use floorspace

The scheme involves the reuse of an existing 'at risk' Grade I listed building on a brownfield site and its subsequent use as British Library North will incorporate a range of low carbon, energy efficient design solutions.

The scheme will be funded from the Combined Authority's devolution deal to fund the economic recovery and is included in the Devolution Deal.

Decision sought

Approval to proceed through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case).

Total value of the scheme - £69.810 million

Total value of Combined Authority funding - £25.000 million

Funding recommendation sought - up to £5.350 million.

<p>TCF Network Navigation West Yorkshire</p>	<p><u>Scheme description</u></p> <p>The scheme will make it easier to navigate the core bus network across West Yorkshire by introducing colour coding to key bus routes, including colour coordinated flags, shelters and clearer bus route maps. In addition, the scheme will deliver a programme wide behavioural change package comprising of initiatives to encourage travel on foot, by bikes or buses.</p> <p>The scheme will deliver:</p> <ul style="list-style-type: none"> • new core bus network maps, bus stop flags, coloured images in shelters and road-side display information at 2,441 bus stops and shelters. • new battery powered real time screens at up to 500 bus stops. • a West Yorkshire Core Bus Network map, up to 30 West Yorkshire Key Corridor maps, and up to 10 Key Centre Network maps. • a package of behaviour change initiatives to encourage take up and use of walking, cycling and buses; and • development of an online interactive mapping tool to allow easier journey planning for bus users. <p>The scheme will be funded from the Transforming Cities Fund and Local Transport Plan.</p> <p><u>Impact</u></p> <p>The scheme will make it easier for people to use buses, particularly encouraging private car users to travel by bus and will contribute towards the target of 25% more trips made by bus by 2027. Along with the programme wide behaviour change package, the scheme will contribute in reducing up to 15,000 tonnes of forecasted carbon dioxide emissions by 2036.</p> <p>The majority of the scheme benefits will be distributed in low- and middle-income groups, which will support the levelling up within the communities of Leeds City Region.</p> <p>The value for money assessment reflects a core Benefit Cost Ratio (BCR) of 1.7:1, which represents medium value for money.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 3 (OBC) and work commences on activity 4 (FBC).</p> <p>Total value of the scheme - £15.5 million</p> <p>Total value of Combined Authority funding - £15.5 million</p> <p>Funding recommendation sought - £0.2 million</p>
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**CityConnect Phase 3
Canals: Leeds &
Liverpool Shipley**

Leeds city region

Scheme description

The scheme will deliver 4.46km of high-quality cycling and walking route on the Leeds and Liverpool Canal between Shipley and Apperley Bridge and Silsden to the West Yorkshire boundary. The upgraded towpath will provide a traffic free, flat, and attractive cycling and walking path alternative to the main roads.

The project forms part of the Combined Authority's existing CityConnect programme and will build upon routes already constructed in the area enabling more people to travel on foot or on bike, linking towns and settlements in Shipley and Silsden.

The scheme is to be funded from the West Yorkshire plus Transport Fund (WY+TF) and the Getting Building Fund. Additional funding of £0.424 million is yet to be secured, so the scheme has been split into 2 phases, so approval of Phase 2 is conditional on securing this funding.

Impact

The new upgraded towpath will increase widths available for the people travelling on bike and on foot, as well as providing a durable all-weather surface that is also in keeping with the nature and historic value of the canal environment.

The scheme will make an important contribution to achieving the West Yorkshire Transport Strategy's target of 300% more trips to be made on bike by 2027 and increasing the proportion of people cycling and walking to 3% and 22% respectively.

The core benefit cost ratio for this scheme is 4.16:1 which represents very high value for money.

Decision sought

Approval to proceed through decision point 4 (full business case) and work commences on activity 5 (Delivery), with Phase 2 being subject to securing additional funding.

Total value of the scheme - £1.981 million

Total value of Combined Authority funding - £1.981 million

Funding recommendation sought - £1.981 million.

<p>CityConnect Phase 3 Canals: Huddersfield Narrow Canal Phase 2</p> <p>Leeds City Region</p>	<p><u>Scheme description</u></p> <p>This scheme will deliver a total 4.3km high-quality cycling and walking towpath route on the Huddersfield Narrow Canal between Milnsbridge to Slaithwaite Centre. The towpath improvements will provide a traffic free, flat, and attractive cycling and walking path alternative to the main roads.</p> <p>The project forms part of the Combined Authority's existing CityConnect programme and will build upon routes already constructed in the area enabling more people to travel on foot or bike, linking towns and settlements in Kirklees.</p> <p>The scheme is to be funded from the West Yorkshire plus Transport Fund (WY+TF) and Active Travel Fund.</p> <p><u>Impact</u></p> <p>The new upgraded towpath will increase widths available for the people travelling on bike and on foot, as well as providing a durable all-weather surface that is also in keeping with the nature and historic value of the canal environment. The scheme by providing a safer network for walking and cycling will aim to attract new cyclists and pedestrians to this route. Building upon the success of the previous phases, this scheme will deliver wider social and environmental benefits including safer alternatives for walking and cycling avoiding busy A62, therefore reducing cycling road accidents by 20%.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 4 (full business case) and work commences on activity 5 (Delivery).</p> <p>Total value of the scheme - £1.371 million</p> <p>Total value of Combined Authority funding - £1.371 million</p> <p>Funding recommendation sought - £1.371 million.</p>
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<p>Halifax Bus Station</p> <p>Calderdale</p>	<p><u>Scheme description</u></p> <p>This scheme will deliver a redeveloped Halifax bus station at the existing location, located north of Halifax town centre.</p> <p>The existing bus station will be replaced to deliver a modern, fit for purpose bus station to serve as a public transport gateway into the town centre for residents and visitors to Calderdale. The scheme will deliver a modern, environmentally friendly building design that integrates with its surrounding heritage including a new fully enclosed level concourse facility with a customer information point, toilets, and retail. The scheme also provides enhanced entry and access for people travelling on foot or bikes with better links to key destinations in Halifax town centre such as Wool Shops, the Piece Hall, Dean Clough, and new Trinity Sixth Form College</p> <p>The Halifax Bus Station scheme is to be delivered through the 'Halifax Walking, Cycling, and Bus Transformation Package' of the TCF programme.</p> <p>The scheme is to be funded through the Transforming Cities Fund (TCF) with a contribution from the West Yorkshire plus Transport Fund (WY+TF).</p> <p><u>Impact</u></p> <p>The scheme will support inclusive growth by delivering a modern bus station, enhancing public safety and user experience, and improving travel by bus, rail, on foot and on bike to employment, education, housing, and retail, reducing private vehicle use and improving air quality.</p> <p>The value for money assessment reflects a core Benefit Cost Ratio (BCR) of 2.76:1, which represents a high value for money.</p> <p><u>Decision sought</u></p> <p>Approval to proceed through decision point 5 (full business case with final cost) and work commences on activity 6 (Delivery).</p> <p>Total value of the scheme - £17.700 million</p> <p>Total value of Combined Authority funding - £17.700 million</p> <p>Funding recommendation sought - £16.17 million.</p>
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Decisions made through the delegation to the Managing Director

- 5.20 Since the Investment Committee’s meeting on 08 June 2021, the following decision points and change requests have been assessed in line with the Combined Authority’s assurance process and approved through the agreed delegation to the Combined Authority’s Managing Director. Under the delegation a total expenditure of £7.249 million has been approved.

<p><u>Scheme</u></p> <p>Langthwaite Business Park Enterprise Zone</p> <p>Wakefield</p>	<p><u>Scheme description</u></p> <p>The scheme is to be delivered as part of the Leeds City Region Enterprise Zone (EZ) Programme which has an overarching objective of “unlocking, enabling, and accelerating site development to deliver local economic growth”.</p> <p>The Langthwaite Enterprise Zone business park extension scheme is located in a site of 9.45 hectares, located next to the existing Langthwaite Business Park in South Kirkby. Working with Wakefield Council the scheme will deliver an offsite access road which will open up the site for commercial development and prepare the site for commercial development by undertaking de-risking works such as ensuring the land is safe from hazardous materials, providing road access, flood alleviation infrastructure to enable the creation of development plots; to realise a range of industrial and commercial units consisting of 27,000m² of floor space.</p> <p>The scheme will be funded through the Local Growth Fund (LGF) and Getting Building Fund (GBF).</p> <p><u>Impact</u></p> <p>The scheme will deliver on a disused site: an offsite access road; works to ensure the land is safe from hazardous materials; flood alleviation works and site infrastructure which will open up the site for commercial development. The scheme includes sustainable urban drainage systems (SUDs), contributing to environmental resilience and will provide employment and skills opportunities for residents of this area, many of which will be highly skilled.</p> <p><u>Decision</u></p> <p>The Managing Director approved this change request on 21 May 2021, giving approval to revise the Indicative total scheme cost from £5.549 million to £3.114 million, this revising the LGF allocation from £1.262 million to £0.417 million and the GBF funding allocation from £4.288 million to £2.697 million.</p> <p>Approval was also given to £0.846 million development costs from GBF, taking the total approval to £1.263 million (£0.846 million GBF and £0.417 million LGF).</p>
<p><u>Scheme</u></p> <p>City Connect Phase 3</p> <p>West Yorkshire</p>	<p><u>Scheme description</u></p> <p>The CityConnect Phase 3 programme consists of 8 projects that will deliver new or improved cycling and walking infrastructure as well as pre and post-scheme Monitoring and Evaluation activities and communications, consultation and engagement to promote behavioural change and use of the new facilities.</p> <p><u>Impact</u></p>

	<p>The monitoring & evaluation activities are key aspects to delivering the overall CityConnect programme and benefits realisation including an active travel infrastructure that improves connectivity and access to employment and education opportunities as well as supporting health and wellbeing, improvements in air quality, and better quality of life.</p> <p><u>Decision</u></p> <p>The Managing Director approved this change request on 21 May 2021, giving approval to release the remaining £0.035 million (of the £0.148 million approved at decision point 2) from the West Yorkshire plus Transport Fund for monitoring and evaluation activity across the CityConnect programme.</p>
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<p><u>Scheme</u></p> <p>York Northern Outer Ring Road</p> <p>York</p>	<p><u>Scheme description</u></p> <p>The scheme is to improve 7 existing roundabouts between the Wetherby Road and Monks Cross junctions. The aim is to upgrade junctions to a standard which incorporates approaches widened to 3 lanes, exits widened to 2 lanes, minor arm approaches widened to suit traffic flows, provision of walking and cycling improvements and where possible accommodation for future orbital and radial routes. One roundabout upgrade (Wetherby Road) was completed in January 2020.</p> <p>The scheme is to be funded from the West Yorkshire plus Transport Fund (WY+TF).</p> <p><u>Impact</u></p> <p>Scheme delivery will:</p> <ul style="list-style-type: none"> • Improve links to the A1(M) and other strategic destinations. • Reduce end to end journey times around the northern section of the York Northern Outer Ring Road (YORR) by approximately 20% by 2021. • Improve journey time reliability for cross-county movements (estimated to be 15-20% of traffic) between origins and destinations in North Yorkshire. • Reduce local congestion and delays on approach to and exit from the junctions. • Remove through traffic from York city centre due to less congestion of the Outer Ring Road route. • Improve safety through the reduction in road accidents. • Enable better access to employment, retail, health and leisure sites in York which serve the surrounding population. <p><u>Decision</u></p> <p>The Managing Director approved this change request on 21 May 2021, giving approval to an additional £3.131 million development costs to progress the remaining schemes within the programme to full business case, funded from the WY+TF, taking the total development costs to £5.181 million. The total value of the scheme is £39.216 million with a Combined Authority contribution of £38.378 million</p>
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<p><u>Scheme</u></p> <p>Leeds Station Sustainable Travel Gateway</p> <p>Leeds</p>	<p><u>Scheme description</u></p> <p>The Leeds Station Sustainable Travel Gateway scheme aims to deliver a fully accessible multi-modal transport hub to improve the transition between rail travel and pedestrian, cycling, taxi, and bus services and promote the use of sustainable travel opportunities (bus, rail, cycling and walking) in Leeds.</p> <p>The scheme is funded by the Transforming Cities Fund, Leeds Public Transport Investment Programme and West Yorkshire plus Transport Fund</p> <p><u>Impact</u></p> <p>The completed scheme will lead to: Improved capacity, safety and amenity for pedestrians at Leeds Rail station. Improved accessibility to the station for all users including delivery of segregated cycle lanes, a 700-space cycle hub, improved taxi rank and a step free more-direct access to the station front.</p> <p><u>Decision</u></p> <p>The Managing Director approved this change request on 4 June 2021 giving approval to the release of a further £2.500 million funding for statutory services diversionary works and to relocate bus stops to Boar Lane. The total value of the scheme is £33.54 million with a Combined Authority contribution of £32.69 million</p>
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<p><u>Scheme</u></p> <p>Selby Station Gateway</p> <p>North Yorkshire</p>	<p><u>Scheme description</u></p> <p>The Selby Station Gateway scheme aims to deliver enhanced public realm, walking and cycling routes, improved visual amenity and an improved gateway experience at the Selby Rail Station.</p> <p>The scheme is funded by the Transforming Cities Fund.</p> <p><u>Impact</u></p> <p>The scheme will provide better connectivity between the station and 1) the town centre, 2) key destinations and 3) nearby redevelopment sites. Improving the attractiveness of the gateway will maximise use of rail and bus services, whilst also increasing sustainable travel, supporting the town centre and easing pressure on the local transport network (reduced traffic volumes will also enhance air quality).</p> <p>The scheme, through a package of targeted interventions, will seek to contribute to the fulfilment of the TCF vision, in terms of better connecting people to economic and education opportunities across the LCR through affordable, sustainable transport, boosting productivity and helping to create cleaner, healthier and happier communities for the future.</p> <p><u>Decision</u></p> <p>The Managing Director approved this change request on 18 June 2021, giving approval to additional development costs of £0.737 million to enable the scheme promoter to develop a refined OBC preferred option submission by October 2021. The total value of scheme will be determined at OBC with a Combined Authority contribution of £17.465 million.</p>
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6 Information

6.1 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.

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

Projects in Stage 1: Assessment and Sequencing

Project Title	British Library for the North	
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:		
Are there implications for equality and diversity?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Background

- 6.3 Through the Devolution Deal with Government, the Combined Authority was allocated £25.000 million to support the work of Leeds City Council and the British Library on establishing a potential British Library in the North.
- 6.4 The British Library in the North proposal involves the £69.810 million restoration and refurbishment of the Grade I listed Temple Works building in Leeds South Bank. This will establish a new 8,000m² facility for the British Library, including learning, community, research, business incubation, events, and exhibition space.
- 6.5 The British Library is committed to supporting economic growth, innovation, and social and cultural renewal, as part of its mission to make its intellectual heritage accessible to everyone. This includes establishing a second city-centre presence in the UK to enable it to reach communities that are not well served by the Library's existing culture, research and learning provision, which is primarily accessible on site in London (St Pancras).
- 6.6 The British Library identified Leeds as their preferred location based on its catchment, accessibility, the diversity of the population, its connectivity, and the ability to be supported by their existing storage and research facilities located at Boston Spa, near Wetherby, which is currently being expanded and refurbished through a separate Government-funded programme.
- 6.7 Working together with Leeds City Council, the British Library assessed potential locations across the city, and in 2020 it was announced that Temple Works in Leeds is the preferred site for the home of the new British Library North.
- 6.8 Temple Works is a Grade I listed building and one of the most significant industrial heritage assets in the north of England. It has been vacant since

2004 and suffered a partial collapse in 2008, severely restricting access to the building due to the risk of sudden catastrophic structural failure.

- 6.9 The building was acquired by Commercial Estates Group (CEG) in 2018, and prior to its acquisition, there had been efforts to find suitable alternative uses, but the significant costs associated with its restoration has prevented the development of a viable commercial proposition.
- 6.10 Initial stakeholder engagement with the local community in Holbeck and third sector organisations including heritage stakeholders has been undertaken. The British Library has also undertaken audience and market research to determine the range of services that could be provided for the public, the education sector, and businesses, and the extent to which the scheme could generate additional visitors to Leeds City Region.
- 6.11 The British Library, the Combined Authority, Leeds City Council and CEG are collaborating to develop the scheme proposal. To date this has involved initial technical work on options for the repair and restoration of the building (in conjunction with Historic England), developing the scope of the British Library North 'offer' and operational requirements, and assessing funding and delivery options.
- 6.12 The £25.000 million Devolution Deal will be split into two phases. This phase (Phase 1) requests up to £5.000 million development costs to fund temporary stabilisation works to allow access to the building, specialist survey work, and further design work. A further £0.350 million is also requested to fund a dedicated programme team within the Combined Authority to support partners. £5.000 million development costs are required to determine affordability of the scheme at the Temple Works site and will be lost to the overall scheme if Temple Works is not selected by the British Library as the location for the British Library North, but they will at the very least contribute to the temporary stabilisation of a grade I listed building.
- 6.13 £5.000 million will fund the outline business case, design development and temporary stabilisation work that will allow safe access to the building for measurements and surveys to take place and detailed design for its fit-out as British Library North. The Combined Authority is being asked to fund the works by Leeds City Council who are the scheme sponsors. The development work will then be carried out by developer owners CEG. These works may inform that the building being is prohibitive and therefore a scheme that is unviable and the British Library could choose an alternative location in Leeds. At this stage the British Library are not locked into the site at Temple Works, and this is subject to the approval of the outline business case, due for completion by December 2022. The costs for Phase 1 are not recoverable but they will contribute to the temporary stabilisation of a grade I listed building. The remaining budget for Phase 2 from the Devolution deal will be £19.650 million. The second phase is subject to approval of the outline business case, and further development works (to be agreed) within the remaining budget. This further development will require the next stage of detailed design to enable clarity of the cost plan for the delivery of the stabilisation, shell and core works to further inform viability and secure conditional commitment from

CEG. It is recognised by all parties that this work is essential before commitments and agreements are established and the full scheme progresses to the delivery phase.

- 6.14 Should the scheme proceed to delivery, the full restoration of the building would be completed by 2028 using the remaining funding from the devolution deal and funding from Leeds City Council and the British Library. If it does not proceed, the British Library will pursue an alternative site with Leeds City Council, using the remaining funding from the devolution deal grant (£19.650 million); a letter from the Chair of the British Library Board to this effect has been provided. CEG will continue to explore other options for the reuse of Temple Works.
- 6.15 A dedicated Combined Authority programme team is required at a cost of £0.350 million to support the project.
- 6.16 Temple Works is in one of the most deprived wards in England, and the scheme supports the priorities of the Combined Authority's Strategic Economic Framework (SEF) to enable inclusive growth and boost productivity and will achieve ambitions set out in the Leeds City Region High Speed 2 Growth Strategy. It also has the potential to deliver the West Yorkshire Mayoral pledge around supporting creative industries. The scheme will provide new jobs and apprenticeships during its construction and operation and enable the British Library to deliver an accessible learning, cultural, research and education resource. It will also create space for businesses and entrepreneurs and generate significant additional visitors to the Leeds City Region.
- 6.17 A summary of the scheme's business case and location map is included in **Appendix 2**.

Tackling the Climate Emergency Implications

- 6.18 The scheme involves the reuse of an 'at risk' Grade I Listed Building on a brownfield site and works to the building will incorporate a range of energy efficient design solutions. Temple Works is in a central location close to Leeds Railway Station and is accessible by public transport, walking and cycling.
- 6.19 Further work to establish the implications of the scheme for Carbon Dioxide (CO₂) emissions during its construction and operation, and for the integration of the Temple Works site into the cycling and walking network, will be developed as part of the outline business case.

Outputs, Benefits and Inclusive Growth Implications

- 6.20 The scheme has the potential to deliver the following outputs:
- 70 full time equivalent construction jobs
 - 45 new jobs in the cultural sector
 - 5 new construction heritage apprenticeships
 - 8,000m² of new cultural use floorspace

- 6.21 Once operational British Library North at Temple Works could generate an additional 500,000 visitors per annum to the City Region, delivering a Gross Value Added (GVA) benefit of up to £140 million from tourism over 20-years from opening.
- 6.22 The outputs and impacts of tourism are dependent on the successful delivery and operation of British Library North. The GVA benefits, if realised would represent a positive Benefit Cost Ratio (BCR) for the scheme of over two based on the Combined Authority's funding of up to £25 million. On this basis the scheme would appear to offer good value for money.
- 6.23 The scheme has the potential to deliver a range of positive strategic benefits including: -
- The retention and revitalisation of a significant heritage asset to support the wider regeneration of Leeds South Bank.
 - Improved access to cultural activities across West Yorkshire and the north of England, with a focus on inclusivity and diversity of access.
 - Increased accessibility of the British Library's cultural and intellectual heritage offering, in a location with good access to sustainable transport modes (public transport, walking and cycling).
 - New opportunities for collaboration and innovation with businesses, particularly those in digital and data, utilising the knowledge assets of the British Library.
 - The creation of new employment and learning opportunities at British Library North, both on-site and through digital technologies.
 - Increased tourism and visitor numbers to Leeds City Region, with associated economic benefits to the city and wider region.
 - A catalyst for improved access to and movement through Leeds South Bank, with enhancements to street design and the existing pedestrian and cycling network.

Risks

- The key risks are:
- The risk of further disrepair or structural collapse to Temple Works before Phase 1 works can commence. This will be mitigated through the review of the scheme and if necessary, an alternative site will be explored.
- The risk that following the Phase 1 development works the deficit is too large and makes the project unviable for the British Library. British Library will mitigate this by pursuing options for developing an alternative site using the remaining grant funding.
- The risk of British Library not achieving sufficient funding through fundraising for fit out of full occupancy of the building. This will be mitigated through changes to scope, value engineering and using a phased approach in parallel with on-going fundraising activity.

- The risk of British Library withdrawing interest from Temple Works. This will be mitigated through a conditional commitment will be achieved at the end of Phase 1.
- The risk that CEG do not proceed with the British Library proposal. The development works are to support greater cost certainty for CEG that will enable them to enter into a conditional commitment following approval of the outline business case.
- The risk of not securing planning and other statutory consents for the development works. This will be mitigated through early engagement work undertaken by Leeds City Council with Historic England.

Costs

- 6.24 The forecast total cost of the scheme is £69.810 million.
- 6.25 £25.000 million will be funded by the Combined Authority from its devolution deal and the remaining £44.810 million will be funded by Leeds City Council and the British Library.
- 6.26 Scheme development funding of up to £5.350 million is sought as part of this approval. This will fund the outline business case, temporary stabilisation works to allow access to the building, specialist survey work, outline design work for the refurbishment of the building, detailed design of the subsequent fit-out of the building to British Library North specifications and a dedicated Programme Team within the Combined Authority to support Leeds City Council and British Library with business case development.
- 6.27 The Combined Authority will enter into a funding agreement with Leeds City Council for expenditure of up to £5.000 million from the Combined Authority's devolution deal.

Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
2 (strategic outline case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority	29/07/2021
3 (outline business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Culture, Arts and Creative Industries Committee	01/12/2022
4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Culture, Arts and Creative Industries Committee	04/05/2023

Approval to Proceed	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	20/07/2023
5 (Delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	20/07/2028
6 (Financial Closure)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	26/07/2029

Other Key Timescales

- Development works (scheme development) commence – November 2021.
- RIBA 3 (shell and core) and RIBA 3 (fit out) designs completed – August 2022.
- Outline business case approved – December 2022.
- Listed Building Consent secured – May 2023.
- Full business case approved – May 2023.
- Temple Works shell and core works commences – July 2023.
- British Library North fit out commences – October 2026.
- British Library North opens – early/mid 2028.

Assurance Tolerances

Assurance tolerances
Combined Authority costs remain within +10% of those outlined in this report. Delivery (decision point 5) timescales remain within 6 months of those outlined in this report. Outputs remain within -10% of those outlined in this report.

Appraisal Summary

- 6.28 The scheme proposal has a robust strategic case. It supports the priorities of the Strategic Economic Framework (SEF) and is closely aligned to a range of national, sub-regional and local strategies and policies for heritage, culture, inclusive economic growth, and the built environment.
- 6.29 Market and viability assessments demonstrate that the restoration of the building requires significant public sector investment to address the 'conservation deficit', and a unique tenant able to form a long-term partnership

to secure the building's use. The British Library selected Temple Works as its preferred location following initial feasibility work, which included site searches, economic analysis, and cost appraisals.

- 6.30 The submission provides an overview of the independent audience research that the British Library has commissioned to date in developing its British Library North service proposition for the general public, the education sector, and businesses. At this stage, the outcomes, and outputs that the scheme could deliver appear reasonable, but the extent to which they are achievable and realistic cannot be effectively determined until the development works have been completed.
- 6.31 An overarching procurement strategy has been established. CEG, the building owner, will manage the next stage of technical scheme development on behalf of Leeds City Council and the British Library. A funding strategy is under development and the British Library will lead fundraising efforts with other public bodies, foundations, philanthropists, corporate and charitable sponsors to secure investment for phase 2.
- 6.32 A provisional governance structure is in place and a series of agreements that will underpin the roles, responsibilities, and commitments of the parties to the scheme (including those of the Combined Authority) will be concluded as part of the next stage of the assurance process. The overall programme has been set out, but it is recognised that this is highly dependent on the outcomes of the first phase of scheme development, including progress made to secure the full scheme funding and the timing and extent of the formal commitment to the scheme by all parties.

Recommendations

- 6.33 The Combined Authority approves that:
- (i) The British Library for the North (Temple Works) scheme proceeds through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case).
 - (ii) An indicative approval of £25.000 million (to be funded through the Combined Authority's devolution deal) is given. The total forecast scheme value is £69.810 million.
 - (iii) Approval of £5.350 million development costs to progress the scheme to decision point 3 (outline business case).
 - (iv) The Combined Authority enters into a funding agreement with Leeds City Council for expenditure of up to £5.000 million from the Combined Authority's devolution deal.
 - (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

Projects in Stage 2: Development

Project Title	TCF Network Navigation		
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:			
Are there implications for equality and diversity?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

Background

- 6.34 This scheme will be funded from the Transforming Cities Fund (TCF). As part of the Government's Industrial Strategy and the National Productivity Investment Fund, the TCF aims to drive up productivity through improved connections between urban centres and suburbs. To do this, the TCF provides a significant opportunity to invest in infrastructure to improve public and sustainable transport connectivity in some of England's largest cities.
- 6.35 There are two elements to the scheme:
- TCF Bus Network Navigation package
 - A TCF Programme wide behavioural change package
- 6.36 Public consultation feedback has established that a lack of clarity and accuracy in the information available to bus passengers are barriers to increasing the number of bus users. The TCF Bus Network Navigation package aims to build on the success of the existing Leeds Network Navigation project in addressing these issues and roll out new colour-coded core bus network maps, coloured images in bus shelters, bus stop flags and road-side display information measures which will make navigating the key bus network easier. This package will also deliver battery powered real-time displays at 500 bus stops and an online interactive journey planning tool.
- 6.37 This scheme includes a TCF programme-wide behaviour change package to deliver complimentary initiatives which will encourage travelling on foot, bike and buses across the Leeds city region and benefit the schemes across whole of the TCF Programme. This package includes small businesses grants to encourage walking and cycling, adult cycle training initiatives and a recovery and enhanced partnerships communication and marketing package.

6.38 A summary of the scheme's business case is included in **Appendix 3**.

Tackling the Climate Emergency Implications

6.39 The improvements delivered through this scheme will make it easier to use the bus network and to encourage private car users to travel by bus, on foot or bikes which will contribute to mitigating carbon emission impacts.

6.40 The TCF programme-wide behaviour change package is expected to increase bus patronage and reduce car usage and thus reduce carbon emissions of up to 15,000 tonnes by 2036.

Outputs, Benefits and Inclusive Growth Implications

6.41 The scheme outputs and benefits include:

- New core bus network maps, bus stop flags, coloured images in shelters and road-side display information at 2,441 bus stops and shelters.
- New battery powered real time screens at up to 500 bus stops.
- A West Yorkshire Core Bus Network map, up to 30 West Yorkshire Key Corridor maps, and up to 10 Key Centre Network maps.
- The development of an online interactive mapping tool to allow easier journey planning for bus users.
- A TCF programme-wide package of behaviour change initiatives to encourage take up and use of walking, cycling and buses.
- Increase in number of bus users, contributing towards the West Yorkshire Transport Strategy target of 25% more bus journeys by 2027.

6.42 Vulnerable and socially disadvantaged groups are often most reliant on bus networks to access services, therefore, investment in buses and local bus infrastructure plays a significant role in promoting social inclusion. These improvements will enable bus passengers to better navigate nearby cities and town centres, helping to improve connectivity and, as a result, access to employment and training opportunities and increase in overall quality of life.

6.43 The value for money assessment reflects a core Benefit Cost Ratio (BCR) of 1.7:1, which represents medium value for money.

Risks

6.44 The scheme risks include:

- There is a risk that due to Covid-19 impacts, the number of public transport users may not recover to pre-pandemic levels. This risk will be mitigated through designing an effective communication plan focussed on wider scheme benefits and timely engagement aligned with transport recovery package.
- There is a risk that there will be an impact on core bus network when the government Covid-19 funding is reduced. This will be mitigated by

seeking recovery funding from DfT and by developing an enhanced partnership with bus operators.

Costs

6.45 The scheme costs are:

- Total indicative scheme cost is £15.5 million, which will be funded from the Transforming Cities Fund (£15.2 million) and the Local Transport Plan (£0.3 million). There is a potential that some match funding may become available from the bus operators, details of this will be brought forward at the next decision point.
- Development costs of £0.16 million have been approved for this project to date. A further £0.2 million is recommended for approval to progress the project to decision point 4 (full business case) taking the total development approval to £0.36 million.

Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
3 (outline business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority	29/07/2021
4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	14/02/2022
Approval to Proceed	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	14/03/2022
Approval to Proceed	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	20/07/2023
5 (Delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/03/2023
6 (Financial Closure)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/03/2024

Other Key Timescales

6.46 The key timescales are:

- Start of work on site – March 2022.
- Completion of infrastructure work on site – March 2023

Assurance Tolerances

Assurance tolerances
Combined Authority costs should remain within 10% of the costs set out in this report. The programme timescales should remain within three months of the timescales set out in this report.

Appraisal Summary

- 6.47 The Strategic and Commercial Cases for the project are well established. The scheme contributes to the Strategic Economic Framework (SEF) priorities of clean energy and environmental resilience and infrastructure for growth. It also contributes to the Leeds City Region COVID-19 Strategic Economic Response and Recovery Plan.
- 6.48 The business case presents a clear, research-based need for the project, establishing the potential for increasing number of bus users and making travelling by bus, on foot or bike attractive to private car drivers. The impacts of the interventions have been quantified demonstrating that the project aims are achievable, and scheme is affordable.
- 6.49 The Benefit Cost Ratio (BCR) for the preferred option for scheme delivery is 1.7:1, which represents medium value for money. This is a reduction from the indicative BCR of 2.2:1 presented at strategic outline case. This BCR reduction is due to the expansion of scheme's scope owing to the TCF programme now delivering the 'high scenario' of the bid and inclusion of the TCF wide behaviour package in the scheme's outline business case. This expansion of scope increased the number of real time information display units from 146 to 500. The qualitative benefits of the scheme overall outweigh the reduction in BCR.
- 6.50 The scheme business case demonstrates deliverability within the TCF programme delivery timescales of March 2023. The TCF programme-wide behaviour change package will continue beyond this date to maximise the impacts of the infrastructure which the TCF programme will have delivered.

Recommendations

- 6.51 The Combined Authority approves that:
- (i) The TCF Network Navigation project proceeds through decision point 3 (outline business case) and work commences on activity 4 (full business case)

- (ii) An indicative approval to the total project value of £15.500 million, comprising of £15.200 million from the Transforming Cities Fund, and £0.300 million from Local Transport Plan Integrated Transport Block, is given.
- (iii) Development costs of £0.200 million are approved to progress the scheme to decision point 4 (full business case) taking the total scheme approval to £0.360 million.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

Project Title	CityConnect Phase 3 Canals - Leeds Liverpool Shipley		
Stage	2 (development)		
Decision Point	4 (full business case)		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:			
Are there implications for equality and diversity?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

Background

- 6.52 This scheme forms part of the CityConnect Programme, a programme of cycling and walking improvements in the Leeds City Region which is being delivered by the Combined Authority together with the five District Partners, Sustrans and Canal and River Trust. CityConnect aims to make it easier and safer to get around by bike and on foot, improving access for residents and visitors to the local area, increasing travel options and reducing congestion.
- 6.53 This scheme will build upon the towpath routes already upgraded along the Leeds & Liverpool Canal between Shipley and Silsden. It will deliver 4.46km of towpath upgrades which will provide a high-quality cycling and walking route in the district of Bradford, between Shipley to Apperley Bridge (3.46km), and Silsden to the West Yorkshire border (1km).
- 6.54 The scheme will aim to increase the towpath widths available for people travelling on foot or on bike as well as providing a durable all-weather surface that is also in keeping with the nature and historic value of the canal environment. The scheme aims to Increase the number of walking and cycling trips by 20% and 66% respectively on the route; reduce carbon emissions by increasing bike trips by 5% and create a safer environment leading to a reduction in commuter accidents by up to 20%.
- 6.55 This scheme originally formed part of CityConnect Phase 3 Canals project which received its decision point 3 (outline business case) approval from combined authority in September 2020. Following on from this, for deliverability purposes, the scheme was split into two schemes. The first scheme covers towpath upgrades between Milnsbridge and Slaithwaite on the Huddersfield Narrow Canal and the second scheme covers towpath upgrade on Leeds & Liverpool canal between Shipley to Apperley Bridge and Silsden to West Yorkshire boundary, which are now progressed through assurance framework separately.

- 6.56 The Leeds and Liverpool Canal scheme has two phases; the Shipley phase 1 is funded by the West Yorkshire plus Transport Fund and Getting Building Fund, and the Silsden phase 2 is funded by Getting Building Fund and a source of funding yet to be secured (the programme team is confident of securing the funding by autumn 2021).
- 6.57 Approval is sought for the scheme overall with the delivery of part of the second phase (section 4) conditional on securing the remaining funding. This part of the scheme is already part funded by the Getting Building Fund and the remaining funding is anticipated to be secured soon after approval. Approval is sought at this stage due to expediency of delivery of the scheme and securing its outputs and benefits within timescales established by the Government for the Getting Building Fund.
- 6.58 The scheme will be managed by the Canal and River Trust in partnership with the West Yorkshire Combined Authority and contribute towards the Strategic Economic Framework (SEF) priorities of boosting production, inclusive growth, tackling the climate emergence and delivering 21st century transport.
- 6.59 A summary of the scheme's business case and location map is included in **Appendix 4**.

Tackling the Climate Emergency Implications

- 6.60 The scheme by delivering upgraded towpath infrastructure will encourage more people to travel by bike or on foot instead of private cars, this will help reduce carbon emissions and deliver wider social benefits in the local community.

Outputs, Benefits and Inclusive Growth Implications

- 6.61 The key output of this scheme is:
- 4.46km of traffic free cycling routes. including towpath upgrades at Dock swing bridge, Strangford swing bridge to Dobson bottom lock in phase 1 and towpath improvements at Silsden road bridge to Cowling swing bridge in phase 2. The Silsden section will provide a continuation of the Airedale Greenway route beyond Silsden, complementing previous CityConnect work completed on the canal towpath from Silsden to Riddlesden.
 - The scheme through its wider benefits will deliver air and noise quality improvements, reduction in carbon emissions and with providing enhanced walking and cycling routes will contribute to delivering health benefits in the community.
- 6.62 The benefit cost ratio for this scheme is 4.16:1, which represents very high value for money.

Risks

- 6.63 The scheme risks include:

- If further funding is not secured the delivery and procurement strategy of this scheme will need to be reviewed. This is being mitigated by other avenues of match funding being actively explored to fill the funding gap and by closely managing the budget schedule for approved funding for this scheme. The phase 2 works will not start until the match funding has been secured.
- Poor weather may cause delays to construction works, this will be mitigated by allowing sufficient weather risk allowance to be built in the construction dates and start on site as soon as possible by phased works packages. The canal will be emptied of water where possible to allow wash wall repairs in winter and transfer weather related risk from combined authority to the contractor.

Costs

- 6.64 The scheme cost is £1.981 million, which will be funded from West Yorkshire Transport Fund (£1.057 million), Getting Building Fund (£0.500 million) and alternative sources for £0.424 million are currently being explored.
- 6.65 Early contractor engagement has provided strong confidence in scheme cost figures and as such alternative sources to cover this funding gap are being explored.
- 6.66 The total scheme cost has increased by £1.261 million to the Combined Authority from £0.720 million (for development of 3 sections) at outline business case to £1.981 million (for development of 4 sections) at this full business case. There reasons for this cost increase are:
- Further detailed design work.
 - Survey findings – mainly additional wash wall repairs.
 - Additional funding from GBF allowed for an increase in scope for an additional towpath upgrade from Silsden to the West Yorkshire boundary.
- 6.67 The Combined Authority enters into an addendum to the existing funding agreement with the Canal and River Trust for expenditure of up to £1.981 million.

Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
Decision Point 4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority	29/07/2021
Approval to Proceed	Recommendation: Combined Authority's Programme Appraisal Team	04/10/2021

	Decision: Combined Authority's Director of Delivery	
Decision Point 5 (Delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/03/2022
Decision Point 6 (Financial Closure)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	28/02/2023

Other Key Timescales

- Start on site October 2021.
- Complete on-site February 2022.

Assurance Tolerances

Assurance tolerances
That the total project cost remains within 10% of the costs identified within this report. That the project delivery timescale remains within 3 months of the timescales identified within this report.

Appraisal Summary

- 6.68 The scheme has a strong strategic fit to the Strategic Economic Framework (SEF) priorities of boosting production, tackling the climate emergency, delivering 21st century transport and inclusive growth. The scheme will infill gaps or build on improvements delivered through the CityConnect programme.
- 6.69 The scheme's total cost is £1.981 million with £0.424 million of this being unsecured. There are at least two sources of funding which are actively being explored with confidence and are highly likely to be secured. Approval is sought at this stage (with a conditional approval for section 4 of phase 2) due to expediency of delivery and the requirement to deliver the outcomes and benefits in time for the Getting Building funded elements of the scheme. Given the funding gap and tight timescales to deliver the Getting Building Fund it is recommended that the scheme is delivered in a phased approach delivering 3 sections whilst gap funding is secured for section 4.
- 6.70 The Benefit Cost Ratio (BCR) for the preferred option for scheme delivery is 4.16:1 which represents a very high value for money. The scheme will be delivered by the Canal and River Trust and overall management will be through the Combined Authority's CityConnect Programme.

Recommendations

- 6.71 The Combined Authority approves that, subject to the conditions set by PAT:
- (i) The CityConnect Phase 3 Canals - Leeds Liverpool Shipley scheme proceeds through decision point 4 (full business case) and work commences on activity 5 (Delivery).
 - (ii) Approval to the Combined Authority's contribution of £1.981 million which will be funded from West Yorkshire plus Transport Fund (£1.057 million), Getting Building Fund (£0.500 million) and £0.424 million yet to be secured is given. The total scheme value is £1.981 million.
 - (iii) The Combined Authority enters into an addendum to the existing funding agreement with the Canal and River Trust for expenditure of up to £1.981 million.
 - (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

Conditions

- 6.72 The following conditions have been set by PAT to gain Approval to Proceed to Delivery:

Phase 1

- (i) The total scheme cost is within those set out in the FBC approval.
- (ii) Baseline data is presented to the Combined Authority's PMA team before start on site.

Phase 2

- (i) The total scheme cost is within those set out in the FBC approval.
- (ii) Confirmation that the remaining £0.424 million of funding required has been secured.

Project Title	CityConnect Phase 3 Canals - Huddersfield Narrow Canal (HNC) Phase 2		
Stage	2 (development)		
Decision Point	4 (full business case)		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:			
Are there implications for equality and diversity?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

Background

- 6.73 This scheme forms part of the CityConnect Programme, a programme of cycling and walking improvements in the Leeds City Region being delivered by the Combined Authority together with the five District Partners, Sustrans and The Canal and River Trust. CityConnect aims to make it easier and safer to get around on foot and by bike, improving access for residents and visitors to the local area, increasing travel options and reducing congestion.
- 6.74 This scheme will build upon the towpath routes already build upon the CityConnect scheme and will deliver 4.3km of improved towpath from Milnsbridge (Lock 11) to Slaithwaite Centre on the Huddersfield Narrow canal.
- 6.75 The scheme will aim to increase the towpath widths available for people travelling on foot or on bike as well as providing a durable all-weather surface that is also in keeping with the nature and historic value of the canal environment. The scheme aims to Increase the number of walking and cycling trips by 20% and 66% respectively on the route; reduce carbon emissions by increasing bike trips by 5% and create a safer environment leading to a reduction in commuter accidents by up to 20%.
- 6.76 This scheme originally formed part of CityConnect Phase 3 Canals project which received its decision point 3 (outline business case) approval from combined authority in September 2020. Following on from this, for deliverability purposes, the scheme was split into two schemes. The first scheme covers towpath upgrades between Milnsbridge, and Slaithwaite on the Huddersfield Narrow Canal and the second scheme covers towpath upgrade on Leeds & Liverpool canal between Shipley to Apperley Bridge and Silsden to West Yorkshire boundary, which are now progressed through assurance framework separately.

- 6.77 The scheme will be managed by the Canal and River Trust in partnership with the West Yorkshire Combined Authority and contribute to the Strategic Economic Framework (SEF) priorities of boosting production, tackling the climate emergency, delivering 21st Century transport and inclusive growth.
- 6.78 A summary of the scheme's business case and location map is included in **Appendix 5**.

Tackling the Climate Emergency Implications

- 6.79 The scheme by delivering upgraded towpath infrastructure will encourage more people to travel by bike or on foot instead of private cars, this will help reduce carbon emissions and deliver wider social benefits in the local community.

Outputs, Benefits and Inclusive Growth Implications

- 6.80 The scheme outputs and benefits include:
- 4.3km of improved towpath from Milnsbridge (Lock 11) to Slaithwaite Centre.
 - The scheme will make an important contribution to achieving the West Yorkshire Transport Strategy's target of 300% more trips to be made on bike by 2027 and increasing the proportion of people cycling and walking to 3% and 22% respectively.
 - Reduction in cyclist road traffic accidents by up to 20%.
 - Infilling gaps in the CityConnect network and upgrading towpath route will aim to deliver inclusive growth by making access to employment, education, and training opportunities easier.
 - The core benefit cost ratio for this scheme has been calculated as 0.99:1 which represents low value for money. However, wider social and environmental benefits including safer alternatives for walking and cycling avoiding busy A62 outweigh the benefit cost evaluation.
 - There are two known accessibility issues along the towpath. This scheme is not introducing any new accessibility concerns and is seeking to mitigate known accessibility issues along the towpath by supporting Kirklees Council in exploring alternative methods to make towpath accessible to all. These alternative interventions are not part of the scope of this scheme as they would delay the scheme.

Risks

- 6.81 The key risks of this scheme are:
- There is a risk that the start on site is delayed, this will be mitigated by effective management of the project delivery plan and access negotiations and delivering in phases where appropriate.

- Poor weather may cause delays to construction works, this will be mitigated by allowing sufficient weather risk allowance to be built in the construction dates and start on sight as soon as possible by phased works packages. The canal will be emptied of water where possible to allow wash wall repairs in winter and transfer weather related risk from combined authority to the contractor.

Costs

- 6.82 The total indicative scheme cost is £1.371 million, which is funded from West Yorkshire Transport fund (£0.643 million) and Active Travel fund (£0.728 million).
- 6.83 The scheme cost has increased by £0.752 million to the Combined Authority from £0.643 million at outline business case to a total scheme cost of £1.371 million) at this full business case. There reasons for this cost increase are:
- Further detailed design work
 - Survey findings – mainly additional wash wall repairs
- 6.84 The Combined Authority will enter into an addendum to the existing funding agreement with the Canal and River Trust from the West Yorkshire plus Transport Fund and into an addendum to the existing funding letter with Kirklees Council from the Active Travel Fund.

Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
Decision Point 4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority	29/07/2021
Approval to Proceed	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	04/10/2021
Decision Point 5 (Delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/03/2022
Decision Point 6 (Financial Closure)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/03/2021

Other Key Timescales

- Start on site October 2021.
- Complete on-site February 2022

Assurance Tolerances

Assurance tolerances
That the total project cost remains within 10% of the costs identified within this report.
That the project delivery timescale remains within 3 months of the timescales identified within this report.

Appraisal Summary

- 6.85 The scheme has a strong strategic alignment with the Strategic Economic Framework (SEF) priorities of boosting production, tackling the climate emergency, delivering 21st century transport and inclusive growth.
- 6.86 The scheme will infill gaps or extend earlier CityConnect programme improvements on the canal towpaths. The schemes total cost is £1.371 million funded through WY+TF and Active Travel funding.
- 6.87 The business case presents a clear, research-based need for the project, establishing the potential for reducing accidents amongst people travelling on bike. Through the improved towpath infrastructure, the scheme also aims at encouraging the number of people travelling on foot or bike instead of private cars. The impacts of the interventions have been quantified demonstrating that the project aims are achievable, and scheme is affordable.
- 6.88 The Benefit Cost Ratio (BCR) for the preferred option for scheme delivery is 0.99:1, which represents a low value for money. However, overall health and safety benefits delivered through this scheme outweigh the benefit cost assessment. The scheme will be delivered by the Canal and River Trust and overall management will be through the Combined Authority's CityConnect Programme.

Recommendations

- 6.89 The Combined Authority approves that, subject to the conditions set by PAT:
- (i) The CityConnect Phase 3 Canals – Huddersfield Narrow Canal Phase 2 scheme proceeds through Decision Point 4 (full business case) and work commences on Activity 5 (Delivery)
 - (ii) Approval to the Combined Authority's contribution of £1.371 million (which will be funded through £0.643 million from the West Yorkshire plus Transport Fund and £0.728 million from the Active Travel Fund) is given. The total scheme value is £1.371 million.

- (iii) The Combined Authority enters into an addendum to the existing funding agreement with the Canal and River Trust for expenditure of up to £0.643 million from the West Yorkshire plus Transport Fund.
- (iv) The Combined Authority enters into an addendum to the existing funding letter with Kirklees Council for expenditure of up to £0.728 million from the Active Travel Fund.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

Conditions

- 6.90 The following conditions have been set by PAT to gain Approval to Proceed to Delivery:
- (i) The total scheme cost is within those set out in the FBC approval.
 - (ii) Baseline data is presented to the Combined Authority's PMA team before start on site.

Project Title	Halifax Bus Station		
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:			
Are there implications for equality and diversity?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

Background

- 6.91 On 11 March 2020, Government approved £317 million towards the Combined Authority’s Transforming Cities Fund (TCF) bid. The TCF brings together collective schemes from across West Yorkshire to improve access to cycling, walking, and public transport.
- 6.92 The Halifax Bus Station scheme was allocated funding as part of the ‘Halifax Walking, Cycling, and Bus Transformation Package’. The package also includes delivery of the Halifax Rail Station Access scheme as well as a series of smaller, complimentary Bus Priority and Walking & Cycling interventions within Halifax town centre. Following approval of the package at strategic outline case (SOC) each scheme is coming forward independently with its own business case for progression through the Combined Authority’s Assurance Framework.
- 6.93 The redeveloped Halifax Bus Station located north of the town centre will replace the existing facility to deliver a modern, fit for purpose bus station to serve as a public transport gateway into the town centre for residents and visitors to Calderdale. The scheme will support growth in Halifax town centre, supporting the aspirations of the Halifax Town Centre Delivery Plan and complementing schemes being delivered through the Halifax TCF package and the WY+TF, primarily its interface with the A629 phase 2 Halifax town centre scheme.
- 6.94 The scheme will deliver a modern, environmentally friendly building design that integrates with its surrounding heritage including a new fully enclosed level concourse facility with a customer information point, toilets, and retail. The scheme also provides enhanced entry and access for people travelling on foot or bikes with better links to key destinations in Halifax town centre such as Wool Shops, the Piece Hall, Dean Clough, and new Trinity Sixth Form College.

- 6.95 Delivery of this scheme will result in the smoother integration between bus and rail travel, cycling and walking through enhanced cycle parking and better travel information through links to rail real time information, therefore supporting the growth in number of bus users, enhanced public safety and improved interchange between non-car modes, encouraging modal shift to a low emission transport system.
- 6.96 The scheme has come forward at full business case with final costs with a total scheme cost of £17.700 million, of which £17.295 million is to be funded through TCF and £0.405 million contribution from the WY+TF.
- 6.97 The scheme cost and subsequently the TCF allocation reflects an increase of £1.895 million from the previous full business case approval of £15.805 million. This is attributed to the rising cost of construction materials, a diversion of a high voltage cable at the new emergency exit onto Winding Road (following the discovery of the shallow cables following a trial hole survey), complex construction phasing required to keep six temporary bus stands on site, remedial works to the historical buildings on site and temporary bus provision in response to an independent accessibility audit. The increase in costs will be borne from the TCF Programme level risk, contingency, and inflation allowance, which is manageable within the TCF funding.
- 6.98 A summary of the scheme's business case and location map is included in **Appendix 6**.

Clean Growth / Climate Change Implications

- 6.99 The scheme supports delivery of the Leeds City Region's 'net carbon neutral target for transport by 2038' by delivering an energy efficient, modern bus station, improving its operational efficiency and environmental performance through design features such as installation of heat pumps, the provision of Photo-Voltaic solar panels (for energy generation), and a green roof, which will also deliver biodiversity benefits.
- 6.100 The redeveloped bus station will also improve connectivity between bus, rail, walking & cycling, encouraging modal shift from the car, whilst it will also install ducting (enabling works) for the future provision of electric charge points and the operation of electric buses at the station, further supporting ambitions of Clean Growth and a low emission sustainable transport system.

Outputs, Benefits, and Inclusive Growth Implications

- 6.101 The scheme outputs and benefits include:
- 5% increase in the number of people using the bus station three years after opening.
 - 90% reduction in reported pedestrian infringements in the bus operating area one year after the opening.
 - A 50% improvement in customer satisfaction one year after opening.

- Reduced bus station operating costs with income from the retail operations of the bus station to increase by £10,000 five years after opening.
- Support the Leeds City Region's net carbon neutral target for transport by 2038, with delivery of an energy efficient bus station and inclusion of enabling works (electrical ducting) to support future introduction of charge points and electric buses.
- Compatibility with the A629 phase 2 Halifax Town Centre scheme, supporting improved bus journey times and journey quality, and better accessibility and connectivity to education, employment, housing, and retail.
- The value for money assessment reflects a benefit cost ratio (BCR) of 2.76:1 which represents high value for money.
- To allow for better social distancing provisions within the bus station the scheme design was amended to introduce separate drop-off and boarding stands therefore enhancing safety measures and user experience of the bus station users.
- The scheme supports inclusive growth and a better quality of life (health benefits) through improved public transport service (allows bus operators to improve their offer) and will encourage travelling on foot or on bike instead of private cars, therefore, reducing congestion and carbon emission levels, resulting in improvement to the air quality.

Risks

6.102 The scheme risks include:

- Cost of moving statutory services, incurring additional cost and delay to the programme. Mitigation: Records have been obtained and will continue to be reviewed through the design process. There may be a requirement for trial holes to accurately locate services before construction commences. Location of incoming supplies to the existing bus station have been identified and the design amended to avoid moving these.
- Environmental issues affect the deliverability of the scheme. Mitigation: Environmental work has been undertaken so far including the ecology walk over and geotechnical desk study. No unforeseen risks have been identified, but this will continue to be reviewed as the environmental work is continued.
- COVID-19 restrictions may delay site surveys required before a construction tender can be issued and the commencement of construction works. Mitigation: The scheme is frequently liaising with suppliers to ensure compliance with Government guidance.
- That the Variation Planning Application is rejected incurring additional cost and time delays. Mitigation: Early engagement has been had with the Planning Authority with confidence that consent will be granted.

Costs

6.103 The scheme costs are:

- The total scheme cost is £17.700 million, of which £17.295 million to be funded through the Combined Authority's TCF Programme, and £0.405 million from West Yorkshire plus Transport Fund.
- The scheme now seeks approval of an additional £16.17 million from the TCF programme, taking the total approval to £17.295 million to progress the scheme to Delivery.

6.104 The Covid-19 pandemic effect on supply chains significantly increased the cost of construction materials that could have not been reasonably included in cost estimates. This issue was further impacted by the Grenfell disaster impacting the subsequent type and availability of construction materials in the market. There were further impacts on the scheme timescale due to the requirement to keep a minimum of six operational bus stands on-site throughout the construction period which has extended the construction period and increased costs. A diversion of a high voltage cable at the new emergency exit onto Winding Road (following the discovery of the shallow cables following a trial hole survey), remedial works to the historical buildings on site and temporary bus provision in response to an independent accessibility audit all resulted in cost increases. All these factors resulted in an overall increase of scheme cost by £2.695 million. In parallel to this value engineering was undertaken to review the existing scheme design and costs and this resulted in cost savings of £0.8 million identified by the changing of paving materials and changing the roof design from timber to steel. This has resulted in a net cost increase of £1.895 million from the previous full business case approval of £15.805 million. Therefore, the total cost of the scheme at this decision point is £17.700 million.

6.105 The increase in costs will be borne from the TCF Programme level risk, contingency, and inflation allowance. In its endorsement of the additional funding, the TCF Programme Board considered the criteria for 'exceptional circumstances', i.e., where cost for materials rise due to inflationary impacts from Covid-19 and Brexit. It is to be noted the increase in funding to the Bus Station does not affect the TCF budget allocated to the Halifax Rail Station Access scheme and the complimentary Halifax Bus Priority and Walking & Cycling proposals.

6.106 The Combined Authority will enter into a Memorandum of Understanding Agreement with Calderdale Council for expenditure up to £50,000 from the TCF programme for activities associated with the temporary provisions, i.e., temporary traffic regulation orders, as well as the final scheme i.e., necessary signing and lining changes to the highway access to the bus station.

6.107 For information, a bid has made for the Levelling Up Fund for this scheme. A decision is still awaited on whether it has been successful.

Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
5 (full business case with finalised costs)	Recommendation: Investment Committee Decision: Combined Authority	29/07/2021
6 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	28/07/2023

Other Key Timescales

- Construction Contract Award August 2021
- Complete site vacation August 2021
- Construction commences September 2021
- Practical Completion (construction complete) July 2023

Assurance Tolerances

Assurance tolerances
That any cost increase remains within 5% of costs set out in this report. That any delay to the Practical Completion date remains within 3 months of timescales set out in this report.

Appraisal Summary

- 6.108 The primary risk had been affordability, which it has now addressed by securing additional funding from the TCF programme risk, contingency, and inflation allowance. An independent assessment of the contractor's costs has been undertaken and value engineering of costs has taken place to reduce scheme costs where possible to off-set increases elsewhere.
- 6.109 The delay in developing the final costs and a better understanding of the construction programme does result in the Practical Completion date going beyond March 2023 (TCF spend deadline), but this can be managed. It is recognised this scheme is in a much more advanced position when compared to other schemes within the TCF programme.
- 6.110 Deliverability has also been satisfied with the scheme confirming Planning and Listed Building Consent was granted and with a contractor in place to deliver the construction works as part of its Design & Build contract. The contractor has also supported business case development through its Early Contractor Involvement role, supporting the mitigation of risks and development of robust costs.

- 6.111 A Variation Planning Application has had to be submitted given changes to the scheme design. Determination is expected by August 2021. The changes appear justified and do not impact the overall offer to users.
- 6.112 Despite being unsuccessful in securing funding through the TCF Carbon Mitigation Fund, the scheme has managed to retain most of the carbon reducing features and took a decision that paying a slightly higher cost for better and more environmentally friendly options would better support the scheme in improving the operational and environmental performance of the building. It has demonstrated this through a comparative assessment which shows an embodied carbon saving of 11.7 tonnes (CO₂ emitted from producing and transfer of materials) and an annual operating carbon saving of 3.4 tonnes (energy used to keep the building warm, cool, ventilated, lit, and powered) when compared against the cheaper options.
- 6.113 The value for money assessment gives sufficient confidence of a high value for money for this scheme, although it is acknowledged it is sensitive to the WY+TF A629 Phase 2 scheme going ahead.

Recommendations

- 6.114 The Combined Authority approves:
- (i) The Transforming Cities Fund Halifax Bus Station scheme proceeds through decision point 5 and work commences on activity 6 (Delivery).
 - (ii) Approval to total scheme costs of £17.700 million is given, of which the Combined Authority to contribute £17.295 million from the Transforming Cities Fund and £0.405 million from the West Yorkshire plus Transport Fund.
 - (iii) The Combined Authority enters into a Memorandum of Understanding Agreement with Calderdale Council for expenditure up to £50,000 from the Transforming Cities Fund.
 - (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

Projects in Stage 3: Delivery and Evaluation

There are no schemes to review at this stage.

7 Tackling the Climate Emergency Implications

7.1 The Climate Emergency implications have been considered on all projects included in this report as part of their business case development.

8 Inclusive Growth Implications

8.1 The inclusive growth implications have been considered on all projects included in this report as part of their business case development.

9 Equality and Diversity Implications

9.1 Equality Impact Assessments (EQIA) have been undertaken on all projects included in this report as part of their business case development.

10 Financial Implications

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

11 Legal implications

11.1 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.

12 Staffing implications

12.1 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.

13 External consultees

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

14 Recommendations (Summary)

Clifton (Calderdale) Enterprise Zone Business Rates Receipt

14.1 The Combined Authority approves that:

- (i) Calderdale Council retains future business rates income generated from the Clifton Enterprise Zone (up to March 2042) with the following conditions.

Conditions

- (ii) Approval of the Clifton EZ scheme through the Combined Authority's Assurance Framework and the Council entering into an appropriate investment agreement(s) with the Combined Authority.
- (iii) The total future business rates income from the Clifton EZ site to be retained by the Council in support of the scheme will be the minimum required to match fund the project after all other funding has been secured and shall only be used for the project as defined in the full business case (which is pending approval).
- (iv) The Council securing all further match-funding to deliver the scheme.
- (v) Evidence of a Council resolution to prudentially borrow the necessary funding in support of the scheme for which the business rates income is being sought.
- (vi) Where the Council is the landowner (including after any land acquisitions or Compulsory Purchase required to progress the scheme), the reinvestment of capital receipts due to the Council from future land sales on the Clifton site into the total funding package.
- (vii) This is a standalone decision for the Clifton EZ site and should not be viewed as a regional precedent for other emerging projects on EZ or other sites in the future.

British Library for the North (Temple Works)

14.2 The Combined Authority approves that:

- (i) The British Library North (Temple Works) scheme proceeds through decision point 2 (strategic outline case) and work commences on activity 3 (outline business case).
- (ii) An indicative approval of £25 million (to be funded through the Combined Authority's devolution deal) is given. The total forecast scheme value is £69.910 million.
- (iii) Approval of £5.35 million development costs to progress the scheme to decision point 3 (outline business case).
- (iv) The Combined Authority enters into a funding agreement with Leeds City Council for expenditure of up to £5 million from the Combined Authority's devolution deal.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

TCF Network Navigation

14.3 The Combined Authority approves that:

- (i) The TCF Network Navigation project proceeds through decision point 3 (outline business case) and work commences on activity 4 (full business case)
- (ii) An indicative approval to the total project value of £15.500 million, comprising of £15.200 million from the Transforming Cities Fund, and £0.300 million from Local Transport Plan Integrated Transport Block, is given.
- (iii) Development costs of £0.200 million are approved to progress the scheme to decision point 4 (full business case) taking the total scheme approval to £0.360 million.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

CityConnect Phase 3 Canals - Leeds Liverpool Shipley

14.4 The Combined Authority approves that, subject to the conditions set by PAT:

- (i) The CityConnect Phase 3 Canals - Leeds Liverpool Shipley scheme proceeds through decision point 4 (full business case) and work commences on activity 5 (Delivery).
- (ii) Approval to the Combined Authority's contribution of £1.981 million which will be funded from West Yorkshire plus Transport Fund (£1.057 million), Getting Building Fund (£0.500 million) and £0.424 million yet to be secured is given. The total scheme value is £1.981 million.
- (iii) The Combined Authority enters into an addendum to the existing funding agreement with the Canal and River Trust for expenditure of up to £1.981 million.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

Conditions

The following conditions have been set by PAT to gain Approval to Proceed to Delivery:

Phase 1

- (i) The total scheme cost is within those set out in the FBC approval.

- (ii) Baseline data is presented to the Combined Authority's PMA team before start on site.

Phase 2

- (i) The total scheme cost is within those set out in the FBC approval.
- (ii) Confirmation that the remaining £0.424 million of funding required has been secured.

CityConnect Phase 3 Canals – Huddersfield Narrow Canal Phase 2

14.5 The Combined Authority approves that, subject to the conditions set by PAT:

- (i) The CityConnect Phase 3 Canals – Huddersfield Narrow Canal Phase 2 scheme proceeds through decision point 4 (full business case) and work commences on activity 5 (Delivery).
- (ii) Approval to the Combined Authority's contribution of £1.371 million (which will be funded through £0.643 million from the West Yorkshire plus Transport Fund and £0.728 million from the Active Travel Fund) is given. The total scheme value is £1.371 million.
- (iii) The Combined Authority enters into an addendum to the existing funding agreement with the Canal and River Trust for expenditure of up to £0.643 million from the West Yorkshire plus Transport Fund.
- (iv) The Combined Authority enters into an addendum to the existing funding letter with Kirklees Council for expenditure of up to £0.728 million from the Active Travel Fund.
- (v) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

Conditions

The following conditions have been set by PAT to gain Approval to Proceed to Delivery:

- (i) The total scheme cost is within those set out in the FBC approval.
- (ii) Baseline data is presented to the Combined Authority's PMA team before start on site.

Transforming Cities Fund Halifax Bus Station

14.6 The Combined Authority approves:

- (i) The Transforming Cities Fund Halifax Bus Station scheme proceeds through decision point 5 and work commences on activity 6 (Delivery).

- (ii) Approval to total scheme costs of £17.700 million is given, of which the Combined Authority to contribute £17.295 million from the Transforming Cities Fund and £0.405 million from the West Yorkshire plus Transport Fund.
- (iii) The Combined Authority enters into a Memorandum of Understanding Agreement with Calderdale Council for expenditure up to £50,000 from the Transforming Cities Fund.
- (iv) Future approvals are made in accordance with the assurance pathway and approval route outlined in this report. This will be subject to the scheme remaining within the tolerances outlined in this report.

15 Background Documents

15.1 None as part of this report.

16 Appendices

Appendix 1 – Background to the Combined Authority’s assurance framework

Appendix 2 – British Library North (Temple Works) – Business Case Summary

Appendix 3 – TCF: Network Navigation – Business Case Summary

Appendix 4 – CityConnect Phase 3 Canals - Leeds Liverpool Shipley – Business Case Summary

Appendix 5 - CityConnect Phase 3 Canals – Huddersfield Narrow Canal Phase 2 – Business Case Summary

Appendix 6 – Transforming Cities Fund: Halifax Bus Station- Business Case Summary