
Report to: West Yorkshire Combined Authority

Date: 3 February 2022

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, West Yorkshire Combined Authority supported projects that have been considered at stages 1, 2 or 3 of the Combined Authority's assurance process.
- 1.2 The schemes being considered for approval today have come directly to the Combined Authority due to expediency of delivery. The schemes will be reported to the relevant thematic Committee as appropriate.
- 1.3 The recommendations can be found in Section 13 of this report.

2 Impact of COVID-19

- 2.1 With the impact of COVID-19 on the region and its economy, 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.
- 2.2 Although it is generally expected that in the medium and long-term behaviours will return to the pre COVID-19 position, the impact of COVID-19 in relation to travel behaviour into and around towns and cities will be assessed as part of scheme appraisal and any assumptions made to address issues identified prior to the pandemic will be re-tested.

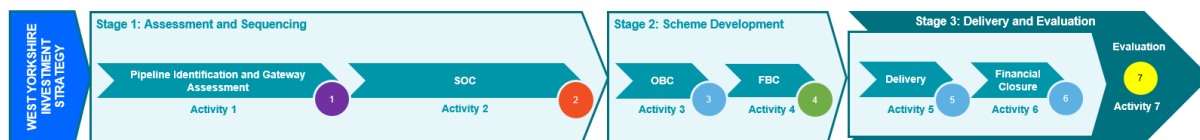
3 Tackling the Climate Emergency Implications

- 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 to refine the toolkit methodology is continuing and is currently finalising the results from assessments of a selection of existing capital schemes progressing through the assurance process. The results of these assessments along with explanatory reporting are currently being prepared for publication. It is anticipated that this will be in March 2022. This represents a 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 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 Report

- 4.1 This report presents proposals for the progression of one scheme. This scheme has a funding value of £7,010,000 when fully approved, of which £6,100,000 will be funded by the Combined Authority. A total expenditure recommendation to the value of £1,810,000 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.
- 4.2 The assurance process is a three-stage approach with the requirement that all projects subject to minor exceptions as detailed in the Assurance Framework, will as a minimum, need to formally pass decision point 2 (strategic outline case) and 4 (full business case), with the requirement to meet the intervening activities deemed on a project-by-project basis.
- 4.3 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

- 4.4 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 West Yorkshire Investment Strategy (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).
- 4.5 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

- 4.6 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.
- 4.7 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.

- 4.8 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

- 4.9 Once a scheme gains FBC approval and the conditions set have been met, the scheme can progress into Activity 5 (Delivery).
- 4.10 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.
- 4.11 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.
- 4.12 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.
- 4.13 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.

Value for Money - Benefit Cost Ratios

- 4.14 The Benefit to Cost Ratio (BCR) for some of the schemes in this report potentially represent low value for money, when assessed using the Department for Transport's Transport Appraisal Guidance TAG on the appraisal of transport schemes.
- 4.15 This is because whilst calculating benefits to costs of a transport scheme there are many more journeys made by car than are made by bus, cycling, and

walking and as a consequence the monetised benefits arising from improvements to bus, cycling and walking journeys may be outweighed by the monetised dis-benefits to car users.

- 4.16 However, a key strategic objective of investment is to encourage modal switch to more sustainable modes and therefore whilst the 'core' BCR (i.e. following Green Book guidance on total impact on the society as a whole) for some schemes may be low, discounting the dis-benefits to car users from the appraisal will result in a higher BCR and where possible this 'range of BCR' will be presented to support decision making. This is in line with HM Treasury guidance where appraisal should take account of all five cases (strategic, commercial, economic, financial and management) and the economic case be balanced with these.
- 4.17 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.
- 4.18 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.

Scheme Summaries

<p>CIP - Calderdale - A629(North)–Ogden to Orange Street Roundabout</p> <p>Calderdale</p>	<p><u>Scheme description</u></p> <p>The scheme will improve access for walking, cycling and buses. This will make it easier to use, cross and travel along the A629 corridor with the aim of reducing journey delays for all road users.</p> <p>The scheme is to be delivered through the Corridor Improvement Programme Phase 2 funded from the West Yorkshire plus Transport Fund (WY+TF)</p> <p><u>Impact</u></p> <p>This scheme will deliver improved walking and cycling provision. It will make it easier for pedestrians to safely travel on this stretch of road and will also make the public areas more attractive and inviting for users.</p> <p>The scheme supports the inclusive growth principle of better quality of life by reducing congestion, improving air quality and enhancing connectivity from the north through to Halifax Town Centre.</p> <p>The value for money assessment reflects a benefit cost ratio (BCR) of 1:0:60. This is categorised as low value for money, however, this is not uncommon for schemes of this nature. The scheme has a strong strategic case, which Government advises is of importance in deciding whether a scheme should be progressed.</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 - £7,010,000</p> <p>Total value of Combined Authority funding - £6,100,000</p> <p>Funding recommendation sought - £1,180,000</p> <p>A decision by the Combined Authority is sought as part of this report</p>
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- 4.19 Since the Combined Authority’s meeting on 09 December 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 Finance, Resources and Corporate Committee. Under the delegation a total expenditure of 2,147,000 has been approved. The decisions were made by the Finance, Resources and Corporate Committee following a recommendation from Combined Authority Programme Appraisal Team.

<p>Bus Franchising Needs Assessment West Yorkshire</p>	<p><u>Scheme description</u></p> <p>This scheme will investigate the options for the proposed bus franchising scheme. This will include a thorough needs assessment, incorporating an assessment of the benefits and impacts of bus franchising, a comparison of these against other bus reform options, an audit of the proposed scheme, and the preparation and launch of public consultation. The outcomes will form the basis for a full business case.</p> <p>This scheme supports the Mayor’s pledge to bring buses back into public control. This assessment forms a key part of this pledge and is a statutory process.</p> <p>The scheme will be funded by Combined Authority Gainshare funding.</p> <p><u>Impact</u></p> <p>The key benefit of this scheme is to provide an evidence base upon which the Combined Authority can make a fully informed decision on whether to progress with a bus franchising scheme for West Yorkshire which would bring buses back into public control.</p> <p><u>Decision</u></p> <p>The Finance, Resources and Corporate Committee gave approval on 6 January 2022 for the scheme to proceed through decision point 2 (strategic outline case) and for work to commence on activity 4 (full business case).</p> <p>Total value of the scheme - £7,000,000</p> <p>Total value of Combined Authority funding - £7,000,000</p> <p>Funding recommendation sought - £1,000,000</p>
<p>Scheme York Castle Gateway Location: York</p>	<p><u>Scheme description</u></p> <p>This scheme is part of the wider York Castle Gateway Masterplan, which will be delivered in two phases. Phase 1 will include a new pedestrian cycle bridge, creating new strategic routes into and across the city for pedestrians and cyclists. Phase 2 includes enhancements to public spaces, involving reducing the number of car carrying roads, replacement and upgrading of bus stops and an upgraded pedestrian and cycle crossing.</p> <p>This scheme is funded from the West Yorkshire plus Transport Fund (WY+TF).</p> <p><u>Impact</u></p>

	<p>The scheme supports the Mayor's pledges of supporting businesses and being a champion for the regional economy and tackling the climate emergency and protecting our environment.</p> <p>The scheme presents a benefit cost ratio (BCR) of 0.81:1. This is categorised as poor value for money, however, it is not uncommon for schemes of this nature to return a low BCR. The scheme has a strong strategic case, which Government advises is of importance in deciding whether a scheme should be progressed.</p> <p>The wider benefits include health benefits through promotion of healthy active travel plus improvements to air quality by reducing motor vehicle use in the city centre. The new public park will enhance the setting of a number of popular visitor attractions.</p> <p><u>Decision</u></p> <p>The Finance, Resources and Corporate Committee gave approval on 6 January 2022 for the scheme to proceed through decision point 3 (outline business case) and for work to commence on activity 4 (full business case).</p> <p>Total value of the scheme - £5,429,960</p> <p>Total value of Combined Authority funding - £4,600,000</p> <p>Funding recommendation sought - £0</p>
<p>Armley Gyratory Leeds</p>	<p><u>Scheme description</u></p> <p>The Armley Gyratory scheme has been identified for delivery through the £78,800,000 Leeds City Centre Package (LCCP) programme funded by the West Yorkshire plus Transport Fund (WY+TF).</p> <p>The scheme will increase highway capacity through increasing lane numbers and widening approach roads. Signal upgrades will improve the operational efficiency of the gyratory and better accommodate re-routed traffic following closure to City Square.</p> <p>It will also replace the existing footbridges over the A58 and A643 with a new four-metre-wide bridge for pedestrians and cycle (compliant with LTN1/20 design standards) and widen the existing footpaths at the gyratory.</p> <p><u>Impact</u></p> <p>Enhancement to the highway capacity is considered necessary to accommodate the additional traffic following the planned closure to City Square. This is forecast to increase carbon emissions by 184,038 tonnes over a 60-year appraisal period (3,067 tonnes per annum). However, early indications suggest that as we expect to see an increasing number of electric vehicles on the road in future years, this should reduce to approximately 111,000 tonnes (1,850 tonnes per annum). Furthermore, it is anticipated that following the implementation of all planned activities within Leeds city centre across the LPTIP, TCF, City Connect, and LCCP funding programmes, that overall local air quality benefits will be realised.</p> <p>The scheme will reduce congestion levels and reduce journey times for motorists, including bus services. Buses, especially core city services will further benefit from the implementation of MOVA adaptive signal control which features virtual bus priority measures.</p>

	<p>The scheme will also improve walking and cycling connectivity and safety, by replacing the existing footbridges with LTN1/20 compliant shared provision and landscaping treatments, making users more visible to motorists.</p> <p><u>Decision</u></p> <p>The Finance, Resources and Corporate Committee gave approval on 6 January 2022 for the scheme to proceed through decision point 4 (full business case) and work commences on activity 5 (delivery).</p> <p>Total value of the scheme - £41,970,000</p> <p>Total value of Combined Authority funding - £41,970,000</p> <p>Funding recommendation sought - £27,930,000</p>
<p>Harrogate Road New Line</p> <p>Bradford</p>	<p><u>Scheme description</u></p> <p>This scheme will improve the existing junction at Greengates and includes the widening of the existing highway on all four arms of the junction, signal upgrades, junction improvements and improvements for pedestrians and cyclists.</p> <p><u>Impact</u></p> <p>This scheme has encountered unexpected difficulties due to the discovery of previously unmapped water utility infrastructure during construction. This exceptional circumstance has caused unforeseen delay and increase in cost.</p> <p>The project's wider benefits include improved facilities for pedestrians and cyclists, a reduction in the number and/or severity of accidents and improvements to air quality. Moreover, the scheme enhances quality of life through improved access to hubs such as Bradford city centre and Leeds Bradford Airport.</p> <p>The scheme benefit cost ratio is now 9.83:1 as a result of this change. This is categorised as very high value for money based on the Department for Transport's criteria.</p> <p><u>Decision</u></p> <p>The Finance, Resources and Corporate Committee gave approval on 6 January 2022 for change request to the Harrogate Road – New Line scheme to increase the total value of Combined Authority funding from the current approval of £7,665,000 to £8,812,000 (increase of £1,147,000) due to exceptional circumstances. Bradford Council match funding has been increased from £2,736,000 to £3,016,000 (increase of £280,000). The total project value is £13,754,000.</p> <p>Bradford Council undertook a value engineering exercise to reduce the cost impact to the value requested in this report.</p> <p>Total value of the scheme - £13,754,000</p> <p>Total value of Combined Authority funding - £8,812,000</p> <p>Funding recommendation sought - £1,147,000</p>

4.20 Since the Combined Authority’s meeting on 9 December 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 Climate, Energy and Environment Committee. Under the delegation a total expenditure of £5,062,000 has been approved. The decisions were made by the Climate, Energy and Environment Committee following a recommendation from Combined Authority Programme Appraisal Team.

<p>Social Housing Decarbonisation Fund – Wave 1</p> <p>West Yorkshire</p>	<p><u>Scheme description</u></p> <p>This scheme will upgrade the energy efficiency of some of the most in need social housing stock within the West Yorkshire area. It will deliver warm, energy-efficient homes, reduce carbon emissions and fuel bills, tackle fuel poverty, and support green jobs. This scheme will provide energy efficiency improvements to 1,316 houses of the most in need homes over a 12-month period</p> <p>This scheme is funded by Wave One of the government’s Social Housing Decarbonisation Fund (SHDF), a £3.8bn national fund, running over a 10-year period to improve the energy performance of social rented homes, on the pathway to Net Zero 2050.</p> <p>The Combined Authority is expecting to be awarded £5,062,000 from Wave 1 to be delivered by 2023. The Combined Authority has partnered with nine registered housing providers (RPs) from the West Yorkshire Housing Partnership and secured a further £5,319,000 in match funding.</p> <p><u>Impact</u></p> <p>This scheme aligns with Mayoral Pledge; to tackle the climate emergency and protect our environment, the West Yorkshire Combined Authority’s inclusive growth agenda, and Strategic Economic Framework Priority 3; Tackling the climate emergency and protecting our environment.</p> <p>Due to the differences in circumstances of each household, an accurate benefit cost ratio (BCR) is accepted to be impossible without asking tenants for personal and sensitive information. Previous case studies including Glasgow City Region indicate a BCR range of 2.0 to 6.0 :1 is achievable with a probability that this scheme will deliver within this range or better.</p> <p>This scheme will provide energy efficiency improvements to 1,316 houses of the most in need homes over a 12-month period and therefore will reduce bills and go some way to tackling fuel poverty. Social benefits include improvements to comfort, health, and well-being of social housing tenants.</p> <p>Potential economic and carbon benefits include the following estimated savings (on average):</p> <ul style="list-style-type: none"> • Bill reduction of £317,000 per annum, potentially £8,000,000 over the lifetime of the measures; reducing the number of households in fuel poverty.
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	<ul style="list-style-type: none"> • Potential saving in carbon of 451 CO₂e tonnes per annum, over 11,000 tonnes CO₂e over the lifetime of the measures. • Energy savings 2.383 GWh per annum, a potential saving of 85 GWh over the lifetime of the measures • 834 homes using less than 90 kWh/m²/year (63% of the homes treated) • 185 jobs and 5 apprentice placements supported • The primary purpose of the SHDF is to raise the energy performance certificate (EPC) rating of social homes to a minimum of EPC Band C; or to EPC Band D where Band C is not possible for EPC Band F/G homes and justification has been provided. <p><u>Decision</u></p> <p>The Climate, Energy and Environment Committee gave approval on 11 January 2022 for the scheme to proceed through decision point 2 (Strategic Outline Case) and decision point 4 (Full Business Case) and work commences on activity 5 (Delivery) subject to SHDF funding being secured</p> <p>Total value of the scheme - £10,381,000</p> <p>Total value of Combined Authority funding - £5,062,000</p> <p>Funding recommendation sought - £5,062,000</p>
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5 Information

5.1 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.

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

Projects in Stage 1: Assessment and Sequencing

5.3 There are no schemes to review at this stage.

Projects in Stage 2: Development

Project Title	CIP - Calderdale - A629 (North) – Ogden to Orange Street Roundabout
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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Background

- 5.4 This scheme will be funded from the West Yorkshire plus Transport Fund. This is a £1 billion fund, covering West Yorkshire and York. The objectives of the West Yorkshire plus Transport Fund are to enable key employment and housing development areas and will help to create about 20,000 new jobs over the next 10 years. These strategic transport projects will be delivered to facilitate the growth priorities identified in the Leeds City Region Economic plan.
- 5.5 The A629 (North) – Ogden to Orange Street Roundabout scheme is part of the Corridor Improvement Programme (CIP) Phase 2. The CIP Phase 2 programme aims to deliver benefits for all road users, with an emphasis on reducing journey times to improve connections and access to economic growth sites, including those located in spatial priority areas. The programme also aims to improve air quality and contribute towards tackling the climate emergency.
- 5.6 The proposed scheme will provide new and improved infrastructure to improve bus journeys and make it easier for people to travel by bike or on foot on, around and across the A629 corridor, reducing delays for all road users. The improvements will enable inclusive growth by make access to educational, training and employment opportunities simpler for residents.
- 5.7 The scheme will involve:

- The introduction of a new one-way system at Wrigley Hill, between the A629 and Whitehill Drive making the junction safer for turning motorists, reducing congestion and improving journey times;
- The prevention of unlawful street parking on Wrigley Hill junction to facilitate new crossing and footpath widening;
- Upgrade of existing signals at A629 / Nursery Lane to include an additional pedestrian crossing and MOVA adaptive signal technology. This technology continually adjusts to the traffic to reduce congestion and improve traffic flow, benefitting all traffic;
- Introduce bus priority at three key signalised junctions: A629 / Ovenden Way, A629 / Shroggs Road, and Cross Hills / North Bridge to improve bus travel times and reduce journey delays;
- Improvements to signage, CCTV, and path upgrade on subways/paths on the western side of Orange Street Roundabout (Great Albion St, St James Rd, Richmond Court); and
- a new quiet lane/segregated cycle route in the valley floor (following Old Lane from the A629 to Mill Lane, then following a segregated route along the valley floor to Lee Bridge).

5.8 By encouraging and enabling more people to travel by bike or on foot, the scheme supports health improvements and reduces health inequalities by increasing physical activity and improving air quality by reducing the number of trips by car.

5.9 A summary of the scheme's business case and location map is included in **Appendix 2**.

Tackling the Climate Emergency Implications

5.10 The scheme seeks to encourage more people to travel on foot, by bike and by public transport which should improve air quality by reducing carbon emissions and other harmful particulates on the A629 corridor.

5.11 The scheme aims to contribute to the CIP Phase 2 target of reducing carbon emissions by 10% and journey times for cars. At this stage indications are that the scheme would result in increases for both indicators, however, the scheme offers the potential to act as a catalyst to encourage more walking and cycling, which would reduce carbon emissions and improve local air quality.

5.12 Further work to establish the climate emergency implications will be undertaken as part of the full business case development.

Outputs, Benefits, and Inclusive Growth Implications

5.13 The scheme outputs and benefits include:

- A new two-kilometre high-quality cycle route linking north Halifax to the town centre.

- New pedestrian crossings at Wrigley Hill and Shay Lane / Nursery Lane junctions
- Improved and widened footpaths at these junctions
- Street lighting and other attractive landscaping to maximise safety for new cycle route and improvements to underpasses at Orange Street Roundabout
- Traffic calming / speed reduction measures
- More trips by bike and on foot, increasing levels of physical activity and improving peoples' health
- Reduction in motor vehicle kilometres travelled
- Increased accessibility by active modes
- Reduce journey times for all users including bus

5.14 The benefit cost ratio for this scheme has been identified as 0.60 corresponding to 'Poor' Value for Money. A low BCR was envisaged at an early stage in the development of the outline business case. The CIP programme supports all CIP Phase 2 schemes with low BCRs where the strategic benefit is clear. The scheme proposed provides the highest economic benefits and strongest alignment with the strategic purpose and objectives of the A629 Corridor Improvement Programme.

Equality and Diversity Implications

5.15 An Equality Impact Assessment (EqIA) has been undertaken for the scheme and equality and diversity impacts taken account of as part of the development of the scheme and the business case development.

Risks

5.16 The scheme risks include:

- Land costs and or any other associated compensation claims by property owners exceed estimates, impacting on total scheme costs, mitigated by early engagement with landowners and local residents / businesses and ability to progress alternative cycle path route.
- The need for a Compulsory Purchase Order (CPO) for land required for the scheme and potentially a Public Inquiry as a result of any CPO, mitigated by early engagement with landowners.
- Recent cost increases in materials mitigated by using flexible design and alternative materials.

Costs

5.17 The total scheme costs are £7,010,000. The Combined Authority's contribution is £6,100,000 from the West Yorkshire plus Transport Fund. Calderdale Council will fund the remaining £910,000. The total scheme cost remains

within the Corridor Improvement Programme Phase 2 budget allocated to this scheme.

- 5.18 At decision point 2 (strategic outline case) £630,000 of development costs were approved to develop the outline business case. A further £1,180,000 of development costs are now required to develop the full business case, bringing the total development costs and scheme approval to £1,810,000.
- 5.19 The Combined Authority will need to enter into an addendum to the existing funding agreement with Calderdale Metropolitan District Council for expenditure of up to £1,810,000 from the West Yorkshire plus Transport Fund.

Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
3 (outline business case)	Recommendation: Place, Regeneration and Housing Committee Decision: Combined Authority	03/02/2022
4 (full business case)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director	05/07/2023
Approval to Proceed	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	31/10/2023
5 (delivery)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	29/11/2024
6 (financial closure)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	29/11/2024
7 (evaluation)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery	27/11/2025

Other Key Timescales

- 5.20 Start on site – Quarter 1 2023/24
- 5.21 Completion on site – Quarter 4 2023/24

5.22 Defects Liability Period / Agreement of Final Account – Quarter 1 2025/26

Assurance Tolerances

Assurance tolerances
Combined Authority costs remain those outlined in this report
Delivery (DP5) timescales remain within 3 months of those outlined in this report.

Appraisal Summary

- 5.23 The scheme involves improvements for pedestrians, cyclists and buses which will make it easier and safer to travel along, and to cross the A629 corridor. This will reduce journey delays for all road users and improve the appearance and attractiveness of the area.
- 5.24 This scheme is well aligned with the policies and strategies for the Combined Authority and Calderdale and is a part of the wider Corridor Improvement Programme (CIP) and links to other activities within the Leeds City Region, for example Transforming Cities Fund (TCF).

Recommendations

- 5.25 The Combined Authority approves that:
- (i) The CIP - A629(N) – Ogden to Orange Street Roundabout scheme proceeds through decision 3 (outline business case) and work commences on activity 4 (full business case).
 - (ii) An indicative approval to the Combined Authority's contribution of £6,100,000 is given. The total scheme value is £7,010,000.
 - (iii) Additional development costs of £1,180,000 are approved in order to progress the scheme to decision point 4 (full business case), taking the total scheme approval to £1,810,000.
 - (iv) The Combined Authority enters into a funding agreement with Calderdale Metropolitan Borough Council for expenditure of up to £1,810,000.
 - (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 3: Delivery and Evaluation

There are no schemes to review at this stage.

6 Tackling the Climate Emergency Implications

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

7 Inclusive Growth Implications

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

8 Equality and Diversity Implications

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

9 Financial Implications

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

10 Legal implications

10.1 The payment of funding to any recipient will be subject to a funding agreement being in place between the Combined Authority and the organisation in question.

11 Staffing implications

11.1 A combination of Combined Authority and local partner council project, programme and portfolio management resources are or are in the process of being identified and costed for within the schemes in this report.

12 External consultees

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

13 Recommendations (Summary)

CIP - Calderdale - A629 (North)–Ogden to Orange Street Roundabout

13.1 The Combined Authority approves that:

- (i) The CIP - A629(N) – Ogden to Orange Street Roundabout scheme proceeds through decision 3 (outline business case) and work commences on activity 4 (full business case).
- (ii) An indicative approval to the Combined Authority's contribution of £6,100,000 is given. The total scheme value is £7,010,000.

- (iii) Additional development costs of £1,180,000 are approved in order to progress the scheme to decision point 4 (full business case), taking the total scheme approval to £1,810,000.
- (iv) The Combined Authority enters into a funding agreement with Calderdale Metropolitan Borough Council for expenditure of up to £1,810,000.
- (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.

14 Background documents

None as part of this report.

15 Appendices

Appendix 1 – Background to the Combined Authority’s Assurance Framework

Appendix 2 – CIP - Calderdale - A629 (North)–Ogden to Orange Street Roundabout - Business Case Summary