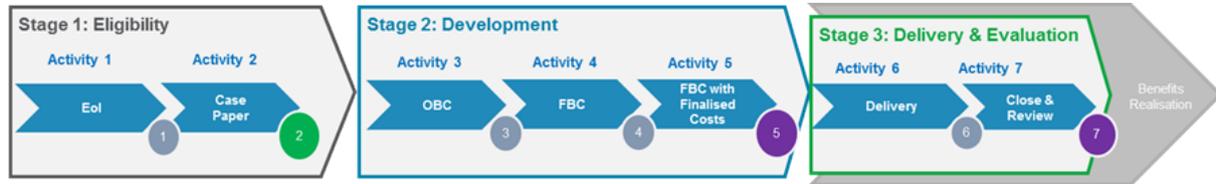


Appendix 2

Detailed information on transport related schemes considered by April 2018 Investment Committee.

Programmes and Projects for Consideration



Projects in stage 1: eligibility

1. Department for Environment, Food and Rural Affairs (DEFRA) - Clean Bus Technology Fund (CBTF) (decision point 2 - case paper)

Background

The project will provide £4.756 million including capital grant funding from the DEFRA Clean Bus Technology Fund (CBTF) to bus operators through an open grant competition to retrofit accredited emission control technology on to 231 older, more polluting buses across West Yorkshire to significantly improve their tailpipe emissions; match funding from operators will ensure value for money and will cover project development and delivery costs. The Combined Authority will manage the grant process for the whole of the West Yorkshire grant award including Leeds City Council's separate DEFRA grant award of £1.371 million (£2.842 million DEFRA grant award for the Combined Authority and estimated £543,000 match funding from operators taking the total scheme costs to £4.756 million).

Outputs and benefits

The scheme has a clear strategic fit to the Leeds City Region Strategic Economic Plan and West Yorkshire Transport Strategy. The project will deliver against Strategic Priority 3 – Clean Energy and Environmental Resilience through improving the clean energy performance of part of West Yorkshire's bus fleet. It will also deliver against the policies of the Combined Authority adopted West Yorkshire Bus Strategy and West Yorkshire Low Emission Strategy to significantly reduce bus emissions. It is expected the project will deliver the following outputs:

- Approximately a quarter of Euro V (or older) public service buses fitted with accredited emission control technology across West Yorkshire through a grant allocation criteria to allocate across the region.
- Real time emission monitoring equipment fitted on all converted buses.
- Quarterly reporting to DEFRA of deliverables and outcomes.

- The project is forecast to remove 31 tonnes of nitrogen oxides from existing bus fleets per year – equating to 3.12 tonnes of nitrogen dioxide.
- The project is also forecast to deliver £3.9 million in reduced environmental and health damage costs over a five year period.

The project has a very high benefit cost ratio of 6 at this stage.

Risks

The key risks, and mitigating actions, for this project are:

- Delivery capacity and timeframes which will be managed through project and resource planning and prioritisation.
- Accredited technology suppliers may be overwhelmed with Clean Bus Technology Fund orders nationally which could have an impact on delivery timescales; this will be managed by aiming to ensure the grant allocation process is in good time to allow the market to respond.

Costs

The Combined Authority and Leeds City Council (LCC) have been awarded £4.21 million from the government's Clean Bus Technology Fund to deliver the scheme. With operator match funding the total scheme investment is £4.756 million. These project costs are made up of £2.842 million DEFRA grant to the Combined Authority; £1.371 million DEFRA grant to LCC and estimated £543,000 match funding from operators to be finally determined following the grant allocation process.

£120,000 of costs on project development, legal advice and delivery is required from the Combined Authority which will be reimbursed by the operator match funding. An initial tranche of funding will be received from DEFRA in March 2018 and may be used for the development costs with the match funding received from operators then being allocated to this account when in place.

Timescales

Timescales are challenging with full project delivery, including grant delivery and spend commitment, required by March 2019. The aim is for decision point 5 (full business case with finalised costs) to take place by July 2018 and decision point 6 (delivery) to take place by March 2019.

Assurance pathway and approval route

The table below outlines the proposed assurance process and corresponding approval route for this scheme. The assurance pathway sets out the decision points which the scheme must progress through and will reflect the scale and complexity of the scheme. The approval route indicates which committees or officers will make both a recommendation and approval of the scheme at each

decision point. A delegated decision can only be made by the Managing Director if this has received prior approval from the Combined Authority.

Assurance pathway	Approval route
Decision Point 5 (full business case with finalised costs)	Recommendation – Programme Appraisal Team Approval – the Combined Authority’s Managing Director delegated decision

Tolerances

In order for the scheme to follow the assurance pathway and approval route that are proposed in this report, it should remain within the following tolerances. If these tolerances are exceeded the scheme needs to return to Investment Committee and/or the Combined Authority for further consideration:

- That the grant project cost does not exceed the grant funding awarded.
- That the project delivery timescale remains within three months of the timescales identified within this report.

Project responsibilities

The project responsibilities are:

- Senior Responsible Officer: Neale Wallace, Combined Authority officer
- Project Manager: Michael Ramsey, Combined Authority officer
- Combined Authority case officer: Mary Innes

Appraisal summary

There is a clear case for the need to accelerate investment in newer buses and emission abatement technology to reduce emissions which are key priorities for Leeds City Region. However, the timeframes to spend the grant from DEFRA and the resources/inputs required for expedient delivery mean there are current concerns in relation to deliverability at this stage for which appropriate mitigations are in place.

Recommendations

That Investment Committee recommends to the Combined Authority that:

- The Clean Bus Technology Fund (CBTF) project proceeds through decision point 2 and work commences on activity 5 full business case with costs alongside preparation and commencement of the grant allocation process.

- An indicative approval to the total project value of £4.756 million (this includes the Combined Authority, LCC grant awards and operator match funding) is given from the DEFRA Clean Bus Technology Fund awarded to the Combined Authority and Leeds City Council (LCC) with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- Combined Authority project development and delivery costs of £120,000 of the DEFRA grant are approved in order to progress the scheme to decision point 5 full business case, before being reimbursed from the scheme's private sector match funding.
- The Combined Authority enters into an agreement with Leeds City Council (LCC) for the Combined Authority to receive and manage on LCC's behalf their CBTF funding award (£1.371 million) from the CBTF fund for the whole of West Yorkshire.
- Future approvals are made in accordance with the approval pathway and approval route outlined in this report including at decision point 5 through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

Projects in stage 2: development

2. A629 Halifax Road improvement, phase 5 (decision point 3 - outline business case)

Background

This project forms part of the overarching A629 Halifax to Huddersfield corridor improvements, comprising multi modal improvements forecast to create 1,740 jobs by 2026, congestion relief, reduction in journey times for general traffic, and improvements in pedestrian and cycling accessibility.

The A629 scheme has been split into five separate phases, with phases 1, 2 and 5 being prioritised for early delivery. Kirklees council has responsibility for delivering phase 5 as a separate project. Phase 5 seeks to improve accessibility between Huddersfield and Halifax, and to the M62. It relates to the section of the A629 between the Ainley Top roundabout and Huddersfield. The scheme includes accessibility improvements for all road users, aims to reduce congestion and delay, and supports job creation and housing growth in the local area.

The preferred option, identified in the outline business case, includes capacity improvements from the Cavalry Arms junction to Ainley Top, with improvements at the Blacker Road junction, as outlined below. The outline

business case requests funding for land acquisition to be released to allow land assembly to commence at full business case stage.

Outputs and benefits

The scheme will deliver traffic capacity improvements at several locations as described below:

- Blacker road / Edgerton Grove road / New North road / Edgerton road Junction (Blacker road Junction) – road widening northbound and westbound.
- East Street / Birkby Road / Halifax Road Junction (Cavalry Arms Junction) - Re-align east-west approach lanes.
- Cavalry Arms to Birchcliffe Hill road – Endeavour to remove parking from both sides of road to enable free-flow of traffic and enable footways to be used safely. Cars currently park on both sides of the road, blocking footways and preventing the free-flow of traffic.
- Yew Tree road to Ainley Top - Extend southern approach lanes and create a new left slip onto the roundabout.

More broadly the scheme will:

- Improve accessibility between Huddersfield and Halifax and to the M62 by reducing congestion and improving journey times and reliability between the ring road and Ainley Top roundabout, for all road users in both directions by 2022, and to support the delivery of the Lindley Moor West and East Enterprise Zones.
- Support job retention and growth in the wider area with the creation of 189 indirect jobs by 2030. (The West Yorkshire Urban Dynamic Model model shows up to 465 indirect jobs created).
- Support housing growth in the Lindley area and west Huddersfield generally (1,230 homes) and enable the delivery of up to 780 dwellings within the vicinity of the corridor by 2030.
- Improve air quality for local residents by contributing to a reduction of nitrogen oxide levels
- Contribute to an improved Gross Value Added across West Yorkshire. Urban Dynamic Model runs show a Gross Value Added increase of £29 million by 2030.

An initial benefit cost ratio for the project on monetarised journey times has been assessed as very high of 7.41; this will be reviewed at full business case stage.

Risks

The key risks for the scheme are:

- Land acquisitions – The need for compulsory purchase orders (CPOs) is identified as a key risk in delivery. Engagement with land owners has already commenced and the Council is taking a twin track approach to land acquisitions and will seek a resolution to use CPO powers.
- Planning permission/consents – Securing Listed Building Consent for the taking down and rebuilding of a listed curtilage wall in the conservation area has been identified as a key risk. Early engagement with the council's planning and conservation team and the landowner has taken place.
- Tree felling – Felling mature trees, some of which are covered by TPOs (Tree Preservation Orders) in the conservation area is also identified as a key risk. Whilst the removal of these trees will fall under permitted development, and therefore do not require planning consent for their removal, it is acknowledged that removal of the trees will be a sensitive issue. To mitigate the impact the Council is proposing to replace trees, where possible, within affected land boundaries, together with tree planting in other areas of the locality to offset the loss. The public will be asked for ideas about where the Council could undertake offset tree planting during the public engagement stage (proposed for June 2018). A topographical survey has been undertaken to identify tree locations and sizes for a key area of land required for the scheme and further tree surveys are to be undertaken to cover all trees affected.

Costs

The total cost to deliver phase 5 is £12.09 million, to be funded through the West Yorkshire plus Transport Fund.

It is noted that at decision point 2 the total scheme cost to deliver phase five was identified as £10 million, meaning that a further £2.09 million is requested as original estimated costs have since been refined largely to account for additional land assembly work.

Phase five currently has £305,000 approved. A further £4.113 million is now sought to develop the project to full business case (to include: development funding and land assembly funding of £2.171 million). This will take the total development costs approval to £4.418 million.

The total cost to deliver the A629 Phases 1-5 is £120.6 million.

Timescales

The timescales for the scheme are as follows:

- Full business case (decision point 4) approved by July 2019.
- Full business case with final costs (decision point 5) approved by January 2020.

- Construction commences February 2020.
- Construction complete August 2021 (decision point 6).

Assurance pathway and approval route

The table below outlines the proposed assurance process and corresponding approval route for this scheme. The assurance pathway sets out the Decision Points which the scheme must progress through and will reflect the scale and complexity of the scheme. The approval route indicates which committees or officers will make both a recommendation and approval of the scheme at each Decision Point. A delegated decision can only be made by the Managing Director if this has received prior approval from the Combined Authority.

Assurance pathway	Approval route
Decision point 3 (outline business case)	Recommendation – Investment Committee Approval – Combined Authority
Decision point 4 (full business case)	Recommendation – Investment Committee Approval – Combined Authority
Decision Point 5 (full business case with finalised costs)	Recommendation – Programme Appraisal Team Approval – the Combined Authority’s Managing Director Delegated Decision

Tolerances

In order for the scheme to follow the assurance pathway and approval route that are proposed in this report, it should remain within the following tolerances. If these tolerances are exceeded the scheme needs to return to Investment Committee and/or the Combined Authority for further consideration:

- That the total project cost remains within 10% of costs identified within this report.
- That the project delivery timescale remains within three months of timescales identified within this report.

Project responsibilities

The project responsibilities are:

- Senior Responsible Officer: Simon Taylor, Kirklees Council
- Project Manager: Steven Hanley, Kirklees Council
- Combined Authority’s case officer: Clare Zara Davies

Appraisal summary

The scheme has a strong strategic fit and overall the outline business case presented provides sufficient evidence and justification that the WYTF A629 Halifax Road phase 5 scheme should proceed to full business case.

Recommendations

That Investment Committee recommends to the Combined Authority:

- The WYTF (Transport Fund) A629 Halifax Road Phase 5 project proceeds through decision point 3 and work commences on activity 4 (full business case).
- That an indicative approval to the total project value of £12.09 million is given from the Transport Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 4 (full business case).
- That development costs of £4.113 million are approved in order to progress the scheme to decision point 4 (full business case), taking the total project approval to £4.418 million and that an addendum to the funding agreement with Kirklees council for the additional £4.113 million is entered into.
- Future approvals are made in accordance with the approval pathway and approval route outlined in this report including at decision point 4 (full business case) through Investment Committee and Combined Authority and at decision point 5 (full business case with finalised costs) through a delegation to the Combined Authority's Managing Director following a recommendation by the Combined Authority's Programme Appraisal Team. This will be subject to the scheme remaining within the tolerances outlined in this report.

A629 Halifax Road improvement, phase 5 location map

