

Report to: West Yorkshire and York Investment Committee

Date: 7 November 2018

Subject: **Capital Spending and Project Approvals**

Director: Melanie Corcoran, Director of Delivery

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1 Purpose of this report

- 1.1 To put forward proposals for the progression of, and funding for, a number of West Yorkshire Combined Authority supported projects, including West Yorkshire plus Transport Fund (Transport Fund) and Growth Fund, for consideration by the Investment Committee at stages 1, 2 and 3 of the Combined Authority's assurance process.
- 1.2 This report presents proposals for the progression of 8 schemes through the Combined Authority's assurance process in line with the Leeds City Region Assurance Framework. These schemes have a total combined funding value of £114.411 million when fully approved, of which £79.565 million will be funded by the Combined Authority. A total expenditure recommendation to the value of £3.518 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.

Scheme	Scheme description	Decision sought
Project Lapwing Leeds	To bring forward an investment in the Leeds City Region, safeguarding 450 jobs and creating forecasted additional 400 new, skilled jobs at city region level. The project addresses Leeds City Region Strategic Economic Plan priorities including priority 2: skilled people, better jobs and priority 1: growing business. The project's wider benefits include working with schools and/or colleges on tailored	Approval to proceed through decision point 2 and that work commences on activity 5 (full business case with finalised costs). Total scheme value - £20-25 million. Total value of the Combined Authority funding - £1 million. Funding recommendation sought - £0.

	<p>training; providing career progression support to lower paid staff and work opportunities offered to local people with disabilities or health issues; green travel options offered to employees.</p>	
<p>A61S Bus Priority Corridor Leeds</p>	<p>Part of the Bus Priority Corridors package within the Leeds Public Transport Investment Programme (LPTIP) to address connectivity challenges the City Region faces, which is constraining growth associated with new housing and employment sites. The scheme supports delivery of Priority 4 'Infrastructure for Growth' of the Leeds City Region Strategic Economic Plan.</p> <p>To deliver a series of improvements along the A61 and A639 in South Leeds which will include extensive bus lane provision, bus priority, measures and junction improvements whilst also delivering improvements for those cycling and walking.</p> <p>The scheme's benefits to cost ratio (which has been adjusted to take into account the wider economic impacts of the scheme) is 1.5:1</p> <p>The scheme's wider social benefits include improved public health and quality of life through enhanced connectivity, reduced carbon emissions and facilities which make walking and cycling safer.</p>	<p>Approval to proceed through decision point 3 and work commences on activity 5 Full Business Case with Finalised Costs.</p> <p>Total value-£14.15 million</p> <p>Total value of Combined Authority funding- £14.15 million</p> <p>Funding recommendation sought - £0.</p>
<p>Stourton Park and Ride Leeds</p>	<p>Part of the Bus Park and Ride package within the Leeds Public Transport Investment Programme (LPTIP) to address connectivity challenges the City Region faces, which is constraining growth associated with new housing and employment sites. Up to 1,200 car parking places are</p>	<p>Approval to proceed through decision point 3 and work commences on activity 5 full business case with finalised costs.</p> <p>Total value - £30.1 million</p>

	<p>planned at this stage. The scheme supports delivery of Priority 4 'Infrastructure for growth' of the Leeds City Region Strategic Economic Plan.</p> <p>The benefit cost ratio is 1.8:1.</p> <p>The schemes wider social benefits include improved public health and quality of life through delivering better connectivity, reducing journey times, and reducing carbon emissions.</p>	<p>Total value of Combined Authority funding - £27.3 million</p> <p>Funding recommendation sought - £635,000.</p>
<p>Elland Road Park and Ride Phase 3 Leeds</p>	<p>Part of the Bus Park and Ride package within the Leeds Public Transport Investment Programme (LPTIP) to address connectivity challenges the City Region faces, which is constraining growth associated with new housing and employment sites. Up to 550 additional car parking places are planned at this stage. The scheme supports delivery of priority 4: infrastructure for growth of the Leeds City Region Strategic Economic Plan.</p> <p>The benefit cost ratio (is 2.6 (high value for money).</p> <p>The scheme's wider social benefits include improved public health and quality of life through delivering better connectivity, reducing journey times, and reducing car journeys and carbon emissions.</p>	<p>Approval to proceed through decision point 3 and work commences on Activity 5 (full business case with finalised costs).</p> <p>Total value - £5.75 million</p> <p>Total value of Combined Authority funding - £5.75 million</p> <p>Funding recommendation sought - £165,000.</p>
<p>Institute of High Speed Railways and System Integration – Phase 1 Leeds</p>	<p>A three phase scheme with the ambition of helping to unlock the full potential of high speed rail, nationally and globally. Phase 1 will create two initial world-leading test facilities for the new institute in Leeds. The scheme will contribute to the Strategic Economic Plan most specifically to priority 2: skilled people, better jobs.</p> <p>Phase 1 will be funded through the Combined</p>	<p>Approval for Phase 1 of the scheme to proceed beyond decision point 3 (outline business case) and work commence on activity 5 (full business case with finalised costs).</p> <p>Total value - £26.093 million</p> <p>Total value of Combined Authority funding - £13.047 million</p>

	<p>Authority's Local Growth Fund and University of Leeds match funding.</p> <p>The strategic case includes a high level value for money assessment which indicates that the project will offer good value for money. The benefits include leveraging in investment in the region contributing to job and gross value added increases and establishing an international reputation for Leeds City Region in the sector.</p>	Funding recommendation sought - £0
<p>Leeds Enterprise Zone Power Solution Leeds</p>	<p>Part of the wider Leeds City Region Enterprise Zone Programme, this scheme enables Northern Powergrid (the local energy supplier) to carry out upgrading and expansion of the existing infrastructure to provide an improved energy supply to the Leeds Enterprise Zone to allow the Zone to fully expand without the constraint of limited power supply. The Leeds City Region Strategic Economic Plan (SEP) 2016-2036 identifies the Leeds Enterprise Zone as a priority for growth and investment.</p> <p>The scheme will be fully funded by Local Growth Fund, however, scheme costs will be recouped in part from the developers.</p> <p>The high level cost benefit ratio calculation is 9:1, and the scheme (coupled with the wider development and subsequent occupation of the Enterprise Zone site) potentially provides £44.805 million in business rates income. The scheme represents good value for money at this stage.</p>	<p>Approval to proceed through decision point 4 (full business case) and work commences on activity 5 (full business case with finalised costs) subject to a full quote being received by Northern Power grid.</p> <p>Total indicative value - £5 million</p> <p>Total indicative value of Combined Authority Funding - £5 million</p> <p>Funding approval sought - £0</p>
<p>A650 Bradford to Keighley Corridor (Hard Ings) Bradford</p>	<p>Located at Hard Ings Road (A650), Keighley, the scheme will relieve traffic congestion through making on street improvements including road widening. The scheme will contribute to the</p>	<p>Approval to proceed through decision point 4 and work commences on activity 5 (full business case with finalised costs).</p> <p>Total value- £10.3 million</p>

	<p>Strategic Economic Plan priority 4: infrastructure for growth.</p> <p>The project has a benefit to cost ratio of 6:1 which is very high value for money at this stage.</p> <p>The wider social benefits include improved air quality and reduced journey times.</p>	<p>Total value of Combined Authority funding- £10.3 million</p> <p>Funding recommendation sought - £2.718 million</p>
<p>York Outer Ring Road Phase 2 (Monks Cross)</p> <p>York</p>	<p>Part of the York outer ring road improvement programme, phase 2 will deliver improvements to the roundabout at the junction of A1237, Monks Cross, and North Lane. The scheme will contribute to the Strategic Economic Plan priority 4: infrastructure for growth.</p> <p>To contribute to reduced congestion and journey times and provide wider benefits in the form of reducing accidents and improving local air quality.</p> <p>The scheme is funded by the West Yorkshire plus Transport Fund.</p> <p>Benefits are being measured at a programme level, however there will be localised benefits realised at this junction once improvement works are delivered.</p> <p>The wider social benefits include improved air quality and reduced journey times.</p>	<p>Approval to proceed through decision point 4 and work commences on activity 5 (full business case with finalised costs).</p> <p>Total value- £3.018 million (total programme £38.926 million)</p> <p>Total value of Combined Authority funding- £3.018 million (total programme £38.276 million)</p> <p>Funding Recommendation sought - £0</p>

1.3 This report also presents recommendations for the following schemes that have had change request reports assessed in line with the Combined Authority's assurance process. These schemes have a total funding of value of £47.740 million when fully approved, £47.740 million of which will be funded by the Combined Authority. A total expenditure recommendation to the value of £179,400 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.

Scheme	Scheme description	Decision sought
Rail Park and Ride Programme Phase 1	To extend free rail car parking and enhance	Activity 3 (outline business case) change request to the

<p>West Yorkshire</p>	<p>employment accessibility through the provision of additional car parking spaces; improve overall journey times through better access to the rail network and alleviate local streets from on-street parking by rail users.</p> <p>The scheme will contribute to the Strategic Economic Plan priority 4: infrastructure for growth.</p>	<p>programme proposing to re-programme site delivery as result of the feasibility work undertaken, re-baseline the programme tolerances and request further development funding.</p> <p>Total value- £30.5 million</p> <p>Total value of Combined Authority funding- £30.5 million</p> <p>Funding Recommendation sought - £150,000</p>
<p>Outwood Station Park and Ride Wakefield</p>	<p>A scheme within the Rail Park & Ride Phase 1 programme to extend the existing car park and deliver over 100 additional spaces. The scheme will contribute to the Strategic Economic Plan priority 4: infrastructure for growth.</p> <p>The scheme is funded by the West Yorkshire plus Transport Fund.</p> <p>The scheme will improve connectivity with the main urban centres.</p>	<p>The change request is to extend the scope at Outwood Rail Station and include the provision of an access road. This includes an increase in development costs from £110,600 to £140,000 and an increase in construction costs of £400,000 from the original estimate of £1 million. As a result of these changes the scheme has now exceeded its defined tolerances.</p> <p>Total value- £1.54 million</p> <p>Total value of Combined Authority funding- £1.54 million</p> <p>Funding Recommendation sought - £29,400</p>
<p>Access to Capital Grants Leeds City Region</p>	<p>To provide capital grants to growing businesses to assist them with the purchase of new equipment and machinery, and to assist with the cost of fitting-out or refurbishing business premises.</p> <p>The scheme will contribute to the Strategic Economic Plan priority 1: growing businesses.</p>	<p>Activity 6 (delivery) change request to assign £1.75 million of the Local Growth Fund as match funding for the proposed extension of both Ad:Venture and Digital Enterprise schemes for, and authorise a bid for European Regional Development Funding by lead partner Leeds City Council and authorise Leeds City Council to manage both Ad:Venture and Digital Enterprise schemes, on behalf of the Combined Authority and for the benefit of the Leeds City Region.</p> <p>Total value: £15.7 million</p>

		<p>Total value of Combined Authority Funding - £15.7 million</p> <p>Funding recommendation sought - £0</p> <p>Change request – Approve assigning £1.75 million of the Local Growth Fund as match funding for an European Regional Development Fund (ERDF) bid for extension funding and authorise local partner council delivery</p>
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1.4 Since the Investment Committee’s meeting on 5th September, the following change requests and decision points 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 £9.978 million has been approved.

Scheme	Scheme description	Decision
Clean Bus Technology Fund scheme	The project will fund cleaner emission technology on approximately 30% of the existing bus fleet across West Yorkshire from the Department for Environment, Food and Rural Affairs (DEFRA) Clean Bus Technology Fund (CBTF) and the Leeds Public Transport Investment Programme (LPTIP).	Decision point 5 (full business case with finalised costs) for expenditure of total project value £6.088 million funded from the Department for Food and Rural Affairs Clean Bus Technology Fund, the Leeds Public Transport Investment Programme (LPTIP) and bus operator match funding and work commence on activity 6 (delivery).
West Yorkshire Urban Traffic Management Control project	The West Yorkshire Urban Traffic Management Control (UTMC) project aims to reduce the effects of congestion and the resulting costs to the local economy. The scheme aims to achieve this through securing efficiencies from and improvements to the various systems and technologies used across the region.	Decision point 4 (full business case) approval for indicative total project value of £7.490 million from the West Yorkshire plus Transport Fund and work starting on activity 5 (full business case with finalised costs).
ULEV Taxi scheme	The ULEV taxi scheme, funded by the Office for Low Emissions (OLEV) and Local Transport Fund (LTP), will install a minimum of 88 taxi only electric rapid charge point sites which will deliver	Decision point 5 (full business case with finalised costs) approval for expenditure of £3.18 million; authority to enter into a framework agreement with the preferred Electric

	reductions and nitrogen oxide emissions from taxis and associated improved local air quality across West Yorkshire.	Vehicle Charge Point supplier and funding agreements with West Yorkshire Partner Councils and work commence on activity 6 (delivery).
Natural Flood Management – Calder and Colne	The purpose of this scheme is to develop an “integrated flood risk reduction programme” to address the urgent need for greater resilience against flooding to protect and retain businesses and employment, and to maintain the transport network.	This change request is for, higher levels of match funding secured by the project required to be approved as the total project value tolerance of 10% at outline business case and 0% at full business case were exceeded
A629 Phase 1a & Monitoring/Evaluation	The A629 Halifax to Huddersfield corridor improvement scheme will enable Calderdale as the primary beneficiary to fulfil its growth ambition. Phase 1a concentrates on the A629 north of the Calder and Hebble junction, a junction which is widely acknowledged as Calderdale’s most significant congestion point.	This change request is for an additional £343,344 delivery costs and to re-allocate £39,812 of costs from the A629 Phase 1a post construction evaluation into the programme monitoring allocation. This change request is within the tolerances defined for the programme
A629 Phase 2 (Halifax bus station)	This project also relates to the A629 Halifax to Huddersfield corridor improvement scheme. The delivery of a new bus station in Halifax is critical to the successful delivery of the A629 Phase 2 Halifax Town Centre highway infrastructure improvements to be realised through the programme.	This change request is for further development funding of £366,415, taking the total development costs to £2.981 million. This is as a result of Calderdale Council now identifying their preferred bus station option This change request is within the tolerances defined for the programme
Kirklees College Process Manufacturing Centre	A new build and fit out of 975 m2 (gross internal area) of space to create a new learning facility providing specialist training in process manufacturing and process control. The scheme objective was to develop a world-class learning facility (National College) for the Leeds City Region in the Advanced	Approval of the project closure report for the scheme to proceed through Decision Point 7 and for work to continue on Benefits Realisation. The project has met the key deliverables of a new build and fit out of 975 m2 (gross internal area) of space to create a new learning facility providing specialist training in process manufacturing

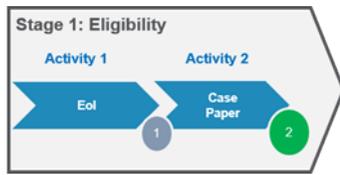
	(Process) Manufacturing sector	<p>and process control, within the budget of £5,140,721 set.</p> <p>However, the project is not forecasted to meet all of the key outputs in accordance with the funding agreement. Unfortunately, due to the current climate in further education, current forecasts indicate that the student numbers will be 78% of the original forecast (1163 to 907). Therefore, the outputs in the funding will be amended to reflect these forecasted learner numbers.</p>
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2 Information

- 2.1 The background information on the Combined Authority's assurance framework through which each of the schemes outlined in this report are being approved is provided in Appendix 1. In addition, this appendix also provides a description of the approach for the future assurance approval pathway and the assurance tolerances for each scheme.

Programmes and projects for consideration

Projects in stage 1: Eligibility



- 2.2 Projects at the eligibility stage are seeking entry into the portfolio and should demonstrate a strategic fit in terms of project outcomes, with further project definition including costs and detailed timescales to be developed as the project progresses through the assurance process. At this stage funding may be sought to enable this work to progress.

Project Title	Project Lapwing
Stage	1 (Eligibility)
Decision Point	2 (Case paper)

Background

- 2.3 This project is of a commercially sensitive nature and the applicant business has requested to keep their company name confidential.
- 2.4 This project is a grant application to the Strategic Inward Investment Fund for £1 million to bring forward an investment in Leeds City Region, safeguarding 450 jobs and creating an additional forecasted 400 new jobs at city region level.
- 2.5 The applicant business is an international financial services firm with an international presence. The business has a multi-site portfolio in the UK and is currently undertaking a review of how best to consolidate these sites to allow better efficiencies and improve service. This will involve centralising functions into a larger “Hub”. The company currently has operations in two locations in our region which will be consolidated into a single footprint alongside another office in the South. 400 net new roles will also be created at a regional level, through transition from the south.
- 2.6 The company have worked with the UK Department for International Trade to undertake a site selection exercise and shortlist potential locations for this project. This has led to Leeds City Region being selected as the preferred location.
- 2.7 However, the financial modelling of the Leeds City Region option relative to two other options demonstrates a higher cost and risk profile for the project.

Other options in consideration are consolidating roles in the South or consolidating all the roles into a Northern Hub in another city.

- 2.8 The grant funding will enable the company to absorb the additional costs associated with the Leeds City Region option, relative to the neutral cost option of consolidating roles within an existing site, or the lower cost of locating in an alternative region in the north.
- 2.9 The Leeds City Region option provides further benefits in terms of business culture and downstream business opportunities and the company regards the financial technology expertise in the region an attractive feature.

Legal Implications

- 2.10 This project is commercially sensitive and confidentiality has been requested by the client.
- 2.11 Therefore, the information contained in Appendix 2 is exempt under paragraph 3 of Part 1 to Schedule 12A of the Local Government Act 1972 as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that the public interest in maintaining the content of the appendix as exempt outweighs the public interest in disclosing the information as publication could prejudice current and future decision making.
- 2.12 State Aid advice has been sought in relation to the grant application and has determined that the grant application is compliant with the regulations.
- 2.13 The scheme is managed by the Combined Authority Inward Investment Team and has a clear fit with the Strategic Economic Plan. The project meets the Combined Authority's strategic objectives to grow the region's economy and create high quality, inclusive jobs. The project is in a priority sector and will generate a significant economic impact (circa £147.5 million net GVA increase by 2028). The project addresses Strategic Economic Plan (SEP) priorities including the 'more jobs, better jobs' programme and the SEP initiative to boost business growth and investment, attracting a major international investor.
- 2.14 The scheme was considered by the Business Investment Panel (BIP) on the 6 November 2018.
- 2.15 The grant application has been made to the Strategic Inward Investment Fund. The appraisal undertaken has confirmed that that the application meets the criteria of, and is affordable from the fund.
- 2.16 A summary of the scheme's business case is included in **Appendix 2**.

Outputs, benefits and inclusive growth implications

- 2.17 The forecast outputs, benefits and inclusive growth implications are:

Scheme outputs

- Occupy up to 71,000 sq ft of office space in the region
 - Safeguard 450 jobs in Leeds City Region in 2018/2019
 - Create an additional 400 jobs by 2021
- 2.18 Leverage private sector investment of £20-25 million by 2028, with an initial investment of £5 million in 2019.
- 2.19 The potential return for investment is high, creating 400 new jobs and safeguarding 450 existing jobs at a cost of £2,500 per new job or £1,176 per safeguarded and new job. These are skilled roles and the combined salary costs for these staff will be significant which will have significant multiplier on effects in the local economy.
- 2.20 The wider benefits of the scheme, including inclusive growth benefits of the scheme:
- Work with schools and/or colleges
 - Training and development offered to low paid staff to help them progress
 - Work opportunities offered to local people with disabilities or health issues
 - Green travel options offered to employees
 - Wider diversity and inclusive growth policies and initiatives
 - Opportunity for provision of apprenticeships (this will be finalised as part of the full business case appraisal)

Risks

- 2.21 Key risks to the applicant business are as follows:
- Identified property options are not available.
 - Inability to realise plans at the pace or scale desired.
 - Challenges recruiting large volume of staff. The prospect of recruiting 400 roles in addition to an existing 450 is a significant undertaking.
- 2.22 These risks are being managed by the applicant business.
- 2.23 The key risk for the Combined Authority is as follows:
- Applicant business opts to either do nothing, or reduce Leeds City Region presence (whether as a result of an unsatisfactory grant offer or no grant offer) and therefore a risk of existing jobs being lost entirely at a regional level.

Costs

- 2.24 The current total forecast cost of the scheme is between £20-25 million.
- 2.25 The Combined Authority contribution to the total forecast cost of the scheme is £1million, which will be funded by the Combined Authority from the Strategic Inward Investment Fund (SIIF).
- 2.26 The remainder of the costs will be funded by the applicant business.

Timescales

- The scheme will be considered by the Business Investment Panel on 6 November 2018.
- Company Board will make the decision if they want to proceed with the project in November 2018.
- Forecast decision point 5 approval (full business case with finalised costs) - January 2019.
- Fit out of the premises – Q2 2019 (start).
- Forecast decision point 6 (delivery) – end of September 2019.
- Premises occupation starts (subject to the preferred building being available) – Q4 2019.

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 2	Recommendation: Investment Committee Decision: Combined Authority
Decision point 5	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director

Assurance Tolerances

Project tolerances
That the Combined Authority contribution should remain within the amount set out in this report.
That scheme timescales should remain within 6 month of the timescales set out in this report.
That the cost per job safeguarded or created remains within £10,000.

Project responsibilities

Senior Responsible Officer	David Shepherd
Project Manager	Jennie Holdstock
Combined Authority case officer	Julia Radianec

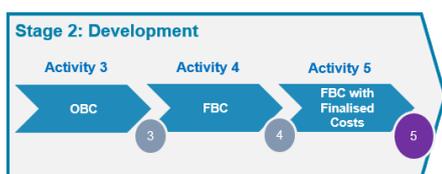
Appraisal summary

- 2.27 The project has a clear strategic fit and there is clear evidence of the need for the project. The project has good potential of delivering against headline indicators and falls within an identified funding stream.
- 2.28 If Leeds City Region is selected as the location for this project, there will be 400 net new roles created at a regional level, through transition from the south. The grant funding will enable the company to absorb the additional costs associated with the Leeds City Region option, relative to the neutral cost option of consolidating roles within an existing southern site.
- 2.29 This is a very large business with significant financial resources, therefore it is possible that this project could be affordable without grant support. The additionality argument in this case, however, is about bringing forward a project that would otherwise not happen in Leeds City Region due to the cost and risk profile relative to other locations.
- 2.30 Some information about the scheme is still outstanding. It is expected that this information will be provided prior to the scheme going to decision point 5 (full business case with finalised costs).

Recommendations

- 2.31 That Investment Committee recommends to the Combined Authority that:
- (i) The Lapwing project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs).
 - (ii) An indicative approval to the Combined Authority's contribution of £1million (which will be funded through the Local Growth Fund's Strategic Inward Investment Fund) is given with full approval to spend being granted, once the scheme has progressed through the Assurance Process to decision point 5 (full business case with finalised costs).
 - (iii) Future approvals are made in accordance with the assurance 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



2.32 Projects at this development stage should demonstrate that they have tested the feasibility of a solution through their business case. This business case should then be developed in order to confirm and detail the preferred solution including finalising its cost.

Leeds Public Transport Investment Programme

2.33 The following three schemes presented for decision point 3 approval (outline business case) form part of the Leeds Public Transport Investment Programme (LPTIP). The programme received decision point 2 approval from the Combined Authority on 29 June 2017, following recommendation by Investment Committee on 16 June 2018.

2.34 The programme is comprised of the following packages:

- Bus Priority Corridors
- Bus Park and Ride
- City Centre Gateways
- Rail
- Bus Transformation
- Mass Transit

2.35 As part of the approval at decision point 2, the proposed schemes to be delivered under each package were identified. The schemes identified continue to be progressed to outline business case and as a result the cost and output forecasts are being refined. It is intended that any cost variations should be absorbed within the allocations for the overall packages whilst still ensuring the overall outputs and outcomes remain consistent.

Project Title	A61S Bus Priority Corridor, Leeds
Stage	2 (Development)
Decision Point	3 (Outline business case)

Background

2.36 The A61 South scheme forms one of the five prioritised bus corridors and consists of a series of improvements along the A639 and A61 between M621 Junction 7 and the junction of A61 Great Wilson Street / Meadow Lane. The

scheme will primarily support traffic from the south in to the city centre, including improving bus journey times from the proposed Stourton Park & Ride site (a scheme which is also presented as part of this report).

- 2.37 The improvements include the new provision of extensive bus lanes on the corridor (in both directions), a range of bus priority measures at signals and local geometric changes, improvements to the Thwaite Gate junction, dedicated walking and cycling facilities, and improvements to urban realm and green infrastructure.
- 2.38 The scheme will support reducing bus journey times and improving bus reliability, especially significant as it will serve fully electric bus services from the proposed Stourton park and ride site.
- 2.39 The scheme supports delivery of Priority 4 'Infrastructure for Growth' of the Leeds City Region Strategic Economic Plan, but will also deliver consequential benefits to Priority 1 Growing Businesses, Priority 2 Skilled People and Better Jobs, and Priority 3 Clean Energy and Environmental Resilience.
- 2.40 The meeting of the Combined Authority on 29 June 2017 approved that the Leeds Public Transport Investment Programme (LPTIP) should proceed through decision point 2 with an indicative total Combined Authority funding approval of £183.266 million, and that £15.310 million be approved to fund project development costs. It also agreed that the schemes would now progress on an individual project or package basis to outline business case.
- 2.41 Within the aforementioned approval, the Bus Priority Corridor package, comprising of five schemes, was given an indicative allocation of £48.9 million towards scheme costs, with £2.012 million development cost funding approved in order to progress the A61 South scheme to decision point 3 (outline business case).
- 2.42 A summary of the scheme's business case and location map is included in **Appendix 3**.

Outputs, benefits and inclusive growth implications

- 2.43 The forecast outputs, benefits and inclusive growth implications are:

Outputs and Benefits

- Increase overall bus patronage, linked to the ambition to double bus patronage by 2026.
- Improve bus journey times and reliability along the A61(S) corridor, especially significant as it will serve fully electric bus services from the proposed Stourton park and ride site. - 15% reduction in end to end journey times (including dwell times) for limited stop services, 20% reduction for stopping services at opening year. 33% reduction in standard deviation of journey times in opening year.

- Improve the quality of the bus passenger experience with satisfaction levels exceeding Local Transport Plan 3 target levels by 2026.
- Improve the experience of all street users, particularly more vulnerable groups, those walking/cycling, and in terms of the urban realm. Increase the percentage share of non-car modes to 70% three years after opening.
- Improve air quality and health outcomes. Proportion of fleet at EURO VI (or better) to 100% after three years after opening.
- Increase accessibility to jobs, training and services, thus also supporting the Strategic Economic Plan's economic growth housing, inclusion and regeneration plans.
- An adjusted benefit cost ratio of 1.5:1 taking into account wider economic impacts, which gives an overall Value for Money category for the preferred option of 'Medium'.

Inclusive Growth

- Improved health outcomes by improving air quality and noise by encouraging modal shift to bus and cycling, and in the process support the City Region Clean Air Zone proposals.
- Improving accessibility to jobs, services, retail and leisure, for those most dependent on the bus.
- Improved quality of life with better connectivity and reduced journey times.

Risks

2.44 The key risks to the project and the related mitigations are:

- Discovery of unexpected utilities during construction could impact on costs and deliverability. Detailed surveys / C3 quotes will be undertaken, with probable higher costs reflected within cost forecast.
- Scope change could occur following local residents / third party consultation. Detailed, localised engagement will be carried out with detailed design information and justification presented as to the preferred option. In the event of a scope change which could affect scheme costs, the delivery programme, and the benefits / outputs, submission of a change request as per Combined Authority's assurance framework will be sought.

Costs

2.45 The project costs can be summarised as:

- The current total cost forecast for the scheme at decision point 3 is £14.15 million, which the Combined Authority will fund from the devolved Department for Transport Leeds Public Transport Investment Programme Fund.

- Detailed costs for the other four schemes within the Bus Priority Corridor package are not known yet, therefore at this stage the promoter is unable to confirm that all schemes will ultimately be affordable from the £48.9 million package allocation. However, the programme board will monitor costs with the aim of bringing the Bus Priority Corridor package within the allocation.
- The scheme does not seek further project development funding at decision point 3, confirming the £2.012 million approved at decision point 2 is satisfactory to progress the scheme to full business case with finalised costs (decision point 5). This represents 14% of total scheme costs.

Timescales

- Outline Business Case (decision point 3) - December 2018
- Leeds City Council Highways Board approval - February 2019
- Full business case with finalised costs (decision point 5) - February 2019
- Construction commence - April 2019
- Construction complete (decision point 6) - June 2020

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3 (Outline business case)	Recommendation: Investment Committee Approval: Combined Authority
Decision point 5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Approval: Managing Director

Assurance Tolerances

Project tolerances
That the Combined Authority's contribution from the devolved Department for Transport Leeds Public Transport Investment Programme Fund should remain within 10% of the value set in this report. The delivery programme timescales should remain within 3 months of the timescales set out in this report.

Project responsibilities

Senior Responsible Officer	Gary Bartlett, Leeds City Council
Project Manager	Sabby Khaira, Leeds City Council
Combined Authority case officer	Asif Abed

Appraisal summary

- 2.46 The strategic case for the A61 South scheme has a clear fit with the Leeds City Region Strategic Economic Plan, specifically in delivery against Priority 4 Infrastructure for Growth - through increasing connectivity, reducing congestion, and reducing carbon emissions. The schemes strategic case is especially significant due it's synergy with the proposed Stourton Park and Ride site, with the corridor to serve fully electric bus services from the park and ride site in to the city centre, with stops along the corridor comprising of employment and educational locations. This will improve journey times from the park and ride to the city centre contributing to the attractiveness of park and ride as a commuting option. The corridor also has a key social inclusion function for communities in South Leeds, and is important to the City Region as a key corridor for cross-boundary buses to/from Oulton, Rothwell and Wakefield, which will also benefit from the proposals.
- 2.47 The scheme will also deliver consequential benefits to Priority 1 Growing Businesses, Priority 2 Skilled People and Better Jobs, and Priority 3 Clean Energy and Environmental Resilience.
- 2.48 The promoter seeks to commence construction in April 2019. Although this is ambitious Leeds City Council are actively managing the risk and looking for opportunities to advance works ahead of programme such as utility diversions.
- 2.49 The scheme has an adjusted benefit cost ratio of 1.5, which takes into account wider economic impacts and represents a medium value for money assessment.
- 2.50 Two options for the corridor improvement have been assessed. The preferred option has a lower BCR but achieves more with regards bus reliability and journey time improvements, and therefore better supports the core objectives of the scheme and the Leeds Public Transport Infrastructure Programme. This is especially significant given the A61 (South) corridor will be a key bus route for fully electric bus services from the proposed Stourton Park & Ride site and bus journey times are a key factor in attracting park and ride users and existing buses serving Belle Isle and Middleton, Rothwell, Oulton, the Carlton Villages, and North Wakefield. It should also be noted that other Leeds Public transport Investment programme schemes have not been included in the modelling forecasts used to generate these BCR's but will be included as part of the economic appraisal at decision point 4 (full business case). This is expected to reduce the highway disbenefits associated with the scheme, due to lower flows than currently forecast as a result of car users opting to use the park and ride and therefore positively impact on the BCR for the scheme at decision point 4.
- 2.51 Leeds City Council will be the delivery lead with WSP as development partner, and BAM and Mott MacDonald appointed as delivery partners.
- 2.52 The scheme will continue reporting to the Leeds Public Transport Investment Programme Board.

Recommendations

- 2.53 That Investment Committee recommends to the Combined Authority that:
- (i) The A61 South project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
 - (ii) An indicative approval to the total project value of £14.15 million is given from the Leeds Public Transport Investment Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (iii) 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.

- 2.54 The following two schemes form part of the Leeds Public Transport Investment Programme's Bus Park and Ride Package. At decision point 2 (case paper) for the programme two new sites plus an extension to an existing site were identified to be delivered from the package. This is in addition to the already successful Elland Road and Temple Green sites. Significant levels of demand forecasting work have been undertaken as part of the package development. This has determined that there will be sufficient demand to justify this scale of provision of park and facility serving Leeds city centre.

Project Title	Stourton Park and Ride
Stage	2 (Development)
Decision Point	3 (Outline business case)

Background

- 2.55 The Stourton Park and Ride scheme is located on land adjacent to the M621 Junction 7 roundabout, owned by Leeds City Council. The new park and ride facility will accommodate a maximum of 1,200 car parking spaces, and will provide a very high quality, all-electric, 10-minute frequency service along the A61/A639 corridor to and from Leeds City Centre - serving important employment and educational stops, namely the Wakefield Road / Thwaite Gate junction and at the Education Quarter near Leeds City College Printworks Campus, Leeds College of Art, and the Leeds College of Building.
- 2.56 The scheme includes provision of solar panels which will generate electricity to power both the park and ride site and the electric bus services.
- 2.57 In addition to parking provision, the new site will have a number of supporting amenities including electric vehicle charging points, family and disabled parking bays, waiting facilities, cycle stands, cycle lockers, and mobility scooter lockers.
- 2.58 The park and ride site will also deliver a number of important ancillary works, most notably the provision of inbound bus lanes from Leeds Valley Park to the M621 J7 approach - improving bus journey times and reliability of existing buses using the corridor, namely the 110 Wakefield-Leeds, 444 and 446 services, as well as park and ride services entering and exiting the facility. These works will have dual benefit, in access to and from the site itself, but also in significantly improving bus access in to Leeds from two important growth corridors, namely from Wakefield city centre & North Wakefield through to Leeds via Oulton, Rothwell and Carlton.
- 2.59 The park and ride scheme design also implements a number of localised highway improvements on the network around the site, most notably full signal control of M621 J7 and at A61/A639 merge points, expanding the number of lanes at each point. This is forecast to reduce delays to existing highway users

and will complement the Highways England works of widening the current highway layout to three lanes at the north-eastern portion of the Junction 7 roundabout.

- 2.60 The scheme is also implementing additional, dedicated walking and cycling facilities. The intention is to provide enhanced cycle connectivity to/from the south of Leeds, via the park and ride site and the Leeds Cycle network, avoiding the need to circumvent the motorway junction, especially for more vulnerable users.
- 2.61 The scheme supports delivery of Priority 4 'Infrastructure for Growth' of the Leeds City Region Strategic Economic Plan, but will also deliver consequential benefits to Priority 1 Growing Businesses, Priority 2 Skilled People and Better Jobs, and Priority 3 Clean Energy and Environmental Resilience.
- 2.62 The meeting of the Combined Authority on 29 June 2017 approved that the Leeds Public Transport Investment Programme (LPTIP) should proceed through decision point 2 with an indicative total Combined Authority funding approval of £183.266 million, and that £15.310 million be approved to fund project development costs. It also agreed that the schemes would now progress on an individual project or package basis to outline business case.
- 2.63 Within the aforementioned programme approval, the Stourton Park and Ride scheme received an indicative allocation of £23 million towards scheme costs, with an approval of £2.305 million towards project development costs to progress the scheme to outline business case.
- 2.64 The scheme cost has increased from £23 million to £30.1 million (£7.1 million increase). The cost increase is a result of including the cost of solar panels and electric bus infrastructure, additional earthwork costs, and significant enhancement of landscaping provision in response to consultation feedback. Provision of solar panels will enable a fully zero emission site and services operation and will also reduce on going costs of operating the electric bus service resulting in greater forecast operational surplus for the public sector.
- 2.65 It is proposed that the Combined Authority will fund £27.3 million of the total scheme costs, with the remaining £2.8 million funded by the European Regional Development Fund (ERDF). A bid has been made to ERDF and a decision is awaited.
- 2.66 A summary of the scheme's business case and location map is included in **Appendix 4**.

Outputs, benefits and inclusive growth implications

- 2.67 The forecast outputs, benefits and inclusive growth implications are:

Outputs and Benefits

- Increase park and ride users in the City by 1,200 per day as part of LPTIP's delivery of over 2,000 new park and ride spaces in the city by

2021. This represents a 50% increase on early 2018 bus based park and ride levels in Leeds.

- Improve bus journey travel times and connectivity by providing a high-quality service with a 13-minute journey time to/from the city centre on opening in 2020, and be sustained thereafter.
- Increase overall bus patronage by over 1,500 users a day, contributing to the LPTIP and Leeds City region ambition to double bus patronage by 2026, from 2017 levels.
- Reduce on going site and electric bus service operational costs through solar power generation. Maintenance of the solar panels will be paid for by the additional revenue surplus expected to be provided from the solar power, with the revenue surplus to be shared between the public and private sector.
- Increase accessibility to jobs, training and services, thus also supporting the Strategic Economic Plan's economic growth, housing, inclusion and regeneration plans - resulting in 589 net jobs.
- A medium value for money benefit cost ratio of 1.8:1.

Inclusive Growth

- Improving health outcomes by improving air quality and noise by encouraging significant modal shift to Park & Ride (as well as improved existing bus services and walking and cycling). This will also support the City Region Clean Air Zone proposals.
- Improved quality of life with better connectivity and reduced journey times.

Risks

2.68 The key risks to the project and the related mitigation are:

- Following detailed design that construction costs could increase significantly. Leeds Council to hold early contractor engagement at design stage with risk workshops.
- Delay in land purchase / transfer from Highways England will hold up Combined Authority approval of full business case with finalised costs (decision point 5). Note planning permission is required before land purchasing procedures, so earlier engagement than normal has commenced between Leeds Council and Highways England. Any significant delay will affect the delivery programme timescales, which on this project as a standalone can be mitigated, but the greater risk is the impact on the council's wider LPTIP schemes and interdependency of work programmes across Leeds.
- The ERDF bid is not successful. In the event that the bid is not successful an indicative approval of £25.4 million from the Leeds Public Transport Investment Fund will be applied.

Costs

2.69 The project costs can be summarised as:

- The current total cost forecast for the scheme at decision point 3 is £30.1 million of which the Combined Authority would fund £27.3 million from the devolved Department for Transport Leeds Public Transport Investment Programme Fund. This is a £4.3 million increase from the allocation for the scheme made within the overall LPTIP programme at decision point 2. It is believed that the £4.3 million cost increase is affordable within the overall allocation for the Bus Park and Ride Package by managing the other two schemes within the Bus Park and Ride package.
- The scheme now seeks a further £635,000 development costs to progress project development to full business case with finalised costs.
- The Combined Authority will enter into an addendum to the existing Funding Agreement, to increase the additional development costs.
- This indicative approval is subject the scheme being successful in gaining ERDF funding for the scheme. In the event that the bid is not successful an indicative approval of £25.4 million from the Leeds Public Transport Investment Fund will be applied.

Timescales

- ERDF grant award period - November 2018
- Outline business case (decision point 3) - December 2018
- Secure planning permission - January 2019
- Land transfer from Highways England - January 2019
- Full business case with finalised costs (decision point 5) - February 2019
- Construction commences - April 2019
- Construction completed (decision point 6) - September 2020

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3 (Outline business case)	Recommendation: Investment Committee Approval: Combined Authority
Decision Point 5 (Full business case with finalised costs)	Recommendation: Programme Appraisal Team Approval: Combined Authority's Managing Director

Assurance Tolerances

Project tolerances
That the Combined Authority's contribution from the devolved Department for Transport Leeds Public Transport Investment Programme Fund should remain within 10% of the value set in this report.
The delivery programme timescales should remain within 3 months of the timescales set out in this report.

Project responsibilities

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

Appraisal summary

- 2.70 The strategic case for the Stourton Park and Ride scheme has a clear fit with the Leeds City Region Strategic Economic Plan, specifically in delivery against Priority 4 Infrastructure for Growth - through increasing connectivity and supporting jobs growth, reducing congestion, and reducing carbon emissions. The scheme is in line with local planning policy, and will also deliver consequential benefits to Priority 1 Growing Businesses, Priority 2 Skilled People and Better Jobs, and Priority 3 Clean Energy and Environmental Resilience - specifically through delivery of a fully electric serviced park and ride site.
- 2.71 The scheme also has a strong commercial and management case with strong demand forecast figures, and public support for the new park and ride site, and Leeds City Council demonstrating delivery of successful park and ride sites at Temple Green and Elland Road (Phase 1 & 2) recently.
- 2.72 The scheme has a benefit cost ratio of 1.8:1, however this benefit cost ratio does not include significant wider economic benefits, and additional job creation in the City Region, which further heightens the value for money of the scheme, such as solar panels that will reduce on going site and electric bus service operational costs and deliver environmental and social benefits, supporting the City Region Clean Air Zone and inclusive growth proposals.
- 2.73 The Combined Authority will act as the accountable body, providing approval to fund the scheme through the Leeds Public Transport Investment Fund.
- 2.74 Leeds City Council will be the delivery lead with WSP as development partner, and BAM and Mott MacDonald appointed as delivery partners.
- 2.75 The scheme will continue reporting to the Leeds Public Transport Investment Programme Board.

Recommendations

2.76 That Investment Committee recommends to the Combined Authority that:

- (i) The Stourton Park and Ride project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval is given to the total project value of £30.1 million, of which £27.3 million will be funded by the Combined Authority from the Leeds Public Transport Investment Fund, 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). This indicative approval is subject the scheme being successful in gaining ERDF funding for the scheme. In the event that the ERDF bid is not successful an indicative approval of £25.4 million from the Leeds Public Transport Investment Fund will be applied.
- (iii) Further development costs of £635,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs).
- (iv) The Combined Authority enters into an addendum to the existing funding agreement with Leeds City Council to increase by £635,000 from the Leeds Public Transport Investment Fund.
- (v) Future approvals are made in accordance with the assurance 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.

Project Title	Elland Road Park and Ride Phase 3
Stage	2 (Development)
Decision Point	3 (Outline business case)

Background

- 2.77 This scheme proposes to provide the second extension to the Elland Road Park and Ride facility. The facility first opened in July 2014 with the provision of 425 full specification parking spaces with an overspill area of 375 spaces to provide a total capacity of 800 spaces. In order to maintain the success of the scheme and accommodate a continued growth in patronage, the overspill car park was upgraded in 2016 (Phase 2) to the same quality as the spaces constructed in 2014, to provide an 800 space high quality P&R facility. Due to continued demand which sees park and ride users regularly using informal overspill parking in addition to the 800 formal spaces, Leeds City Council as part of Phase 3 propose expansion of the park and ride facility with the addition of up to 550 spaces and a further bus service - increasing bus capacity and service frequencies at the site to 10 buses per hour (in the peak hours) by 2020. The additional bus frequency will benefit existing users of the park and ride site, as well as cater for new growth. Phase 3 also includes provision for additional electric vehicle charging points in the expanded area.
- 2.78 The scheme supports delivery of Priority 4 'Infrastructure for Growth' of the Leeds City Region Strategic Economic Plan, but will also deliver consequential benefits to Priority 1 Growing Businesses, Priority 2 Skilled People and Better Jobs, and Priority 3 Clean Energy and Environmental Resilience.
- 2.79 The meeting of the Combined Authority on 29 June 2017 approved that the Leeds Public Transport Investment Programme (LPTIP) should proceed through decision point 2 with an indicative total Combined Authority funding approval of £183.266 million, and that £15.310 million be approved to fund project development costs. It also agreed that the schemes would now progress on an individual or package basis to outline business case
- 2.80 Within the aforementioned programme approval, the Elland Road Park and Ride Phase 3 scheme received an indicative allocation of £2.5 million towards scheme costs, with approval of £245,000 towards project development costs to progress the scheme to decision point 3 (outline business case).
- 2.81 The scheme cost has increased by £3.25 million to £5.75 million. This is due to:
- The initial cost estimate was for the addition of c. 400 spaces. The proposal now seeks to deliver up to +550, a decision taken following continued demand growth, and to make full use of the over spill car park land available.

- The inclusion of a new link road directly off Junction 2 M621 for access to buses. The benefit of this link is that it ensures that journey times and high levels of reliability are maintained in the future - avoiding Elland Road. This is captured in the appraisal by keeping bus journey times constant over time, which would be optimistic were this element not included.
- Extension to the previous link road end point with a new road along the full length of the park and ride site to fully access the enlarged number of spaces - a requirement to deliver the enlarged number of spaces.
- Full risk capture costs following a desktop geotechnical study identifying high risk of contaminated land.

2.82 A summary of the scheme's business case and location map is included in **Appendix 5**.

Outputs, benefits and inclusive growth implications

2.83 The forecast outputs, benefits and inclusive growth implications are:

Outputs and Benefits

- Add at least 500 spaces at Elland Road (+60% additional capacity) by 2019 (maximum 550).
- Improve bus capacity and service frequencies to 10 buses per hour (in the peak hours) at the site by 2020, benefitting both existing and new users.
- Reduce overall car demand into Leeds by over 500 vehicles per day, and contribute to improved air quality in the vicinity of the site and Leeds city centre.
- Maintain the current (very) high levels of user satisfaction with the current park and ride service on opening, and ongoing over the longer-term period of the SEP.
- A high value for money benefit cost ratio of 2.6:1

Inclusive Growth

- Improved public health through provision of electric vehicle charge points, encouraging uptake of electric vehicles and reducing carbon emissions.
- Improved quality of life with better connectivity and reduced journey times.

Risks

2.84 The key risks to the project and the related mitigation are:

- Following detailed design, scheme construction costs increase, affecting scheme affordability. Leeds City Council to hold early contractor engagement at design stage with risk workshops.

Costs

2.85 The project costs can be summarised as:

- The current total cost forecast for the scheme at decision point 3 is £5.75 million. This is a cost increase of £3.25 million from the allocation for the scheme made within the overall LPTIP programme at decision point 2.
- It is believed that the £3.25 million cost increase is affordable within the overall allocation for the Bus Park and Ride Package and as a result the Combined Authority will now fund £5.75 million from the devolved Department for Transport Leeds Public Transport Investment Programme Fund.
- The scheme now seeks a further £165,000 to progress project development to full business case with finalised costs which will take the total amount approved for development funding to £410,000.
- The Combined Authority will enter in to an addendum to the existing funding agreement, to increase the additional development costs.

Timescales

- Detailed design completed - November 2018
- Outline business case (decision point 3) - December 2018
- Secure planning permission- December 2018
- Full business case with finalised costs (decision point 5) - January 2019
- Construction commences - March 2019
- Construction completed (decision point 6) - December 2020

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3 (outline business case)	Recommendation: Investment Committee Approval: Combined Authority
Decision point 5 (full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Approval: Managing Director

Assurance Tolerances

Project tolerances
That the Combined Authority's contribution from the devolved Department for Transport Leeds Public Transport Investment Programme Fund should remain within 10% of the value set in this report.
The delivery programme timescales should remain within 3 months of the timescales set out in this report.

Project responsibilities

Senior Responsible Officer	Gary Bartlett, Leeds City Council
Project Manager	Sabby Khaira, Leeds City Council
Combined Authority case officer	Asif Abed

Appraisal summary

- 2.86 The strategic case for the Elland Road park and ride scheme has a clear fit with the Leeds City Region Strategic Economic Plan, specifically in delivery against Priority 4 Infrastructure for Growth - through increasing connectivity and supporting jobs growth, reducing congestion, and reducing carbon emissions. The proposal will also deliver consequential benefits to Priority 1 Growing Businesses, Priority 2 Skilled People and Better Jobs, and Priority 3 Clean Energy and Environmental Resilience.
- 2.87 The scheme also has a strong commercial and management case with significant demand growth and high levels of user satisfaction (and therefore public support towards the proposal to expand the park and ride site), and Leeds City Council demonstrating delivery of successful park and ride sites at Temple Green and Elland Road (Phase 1 & 2) recently.
- 2.88 The scheme BCR of 2.6 furthermore reflects a High Value for Money assessment of the proposal.
- 2.89 The Combined Authority will act as the accountable body, providing approval to fund the scheme through the Leeds Public Transport Investment Fund.
- 2.90 Leeds City Council will be the delivery lead with WSP as development partner, and BAM and Mott MacDonald appointed as delivery partners.
- 2.91 The scheme will continue reporting to the Leeds Public Transport Investment Programme Board.

Recommendations

2.92 That Investment Committee recommends to the Combined Authority that:

- (i) The Elland Road Park and Ride Phase 3 project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the total project value of £5.75 million is given to be funded from the Combined Authority from the Leeds Public Transport Investment Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) Further development costs of £165,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) taking the total development cost expenditure approval to £410,000.
- (iv) The Combined Authority enters into an addendum to the existing Funding Agreement with Leeds City Council to increase by £165,000 from the Leeds Public Transport Investment Fund for expenditure of up to £410,000.
- (v) Future approvals are made in accordance with the assurance 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.

Project Title	Institute of High Speed Railways and System Integration
Stage	2 (Development)
Decision Point	3 (Outline business case)

Background

- 2.93 High Speed 2 (HS2) is Europe's largest railway project, and a vital part of the UK Government's strategic plan for regeneration, growth and rebalancing of the UK economy. It also represents a significant opportunity for the UK to capitalise on a rapidly growing high-speed rail global market. The lack of testing facilities in high-speed rail represents a significant barrier to the future development of high-speed rail research and innovation, but presents a significant opportunity for the UK to be a global lead.
- 2.94 The University of Leeds, working closely with partners from industry, government and the University sectors, is seeking to establish the Institute for High Speed Railways and System Integration (IHSRSI) in the Leeds City Region (LCR) with the ambition of helping to unlock the full potential of high speed rail, nationally and globally. HS2 will be of major economic benefit to the city region and the IHSRSI will help to maximise these benefits, by establishing the University and the LCR as a global lead in high speed rail engineering and research. The IHSRSI will complement and build upon the existing regional academic and industry expertise in rail research and education (e.g. University of Huddersfield) and will help cement the LCR as a world-leading centre of excellence.
- 2.95 The scheme will be delivered in three phases. The funding requested from the Combined Authority will part fund the delivery of Phase 1 only:
- 2.96 Phase 1 - creation of two initial world-leading test facilities for the new institute, these being a high-speed railways infrastructure test facility and a high speed vehicle test facility. Specifically, 40,000m² of world class high speed rail infrastructure test & Research & Development facilities to include:
- A full-scale 400 kilometre per hour capable high-speed rail infrastructure systems test facility which will be able to test full-scale railway track structures, including embankments, preformed systems and ground stabilization technologies;
 - A full-scale high-speed 400 kilometre per hour capable vehicle systems test facility capable of testing full-scale rolling stock and their interaction (behaviour) with different track systems

- 2.97 A number of location options have been considered and fully researched. The current preferred option is for the facility to sit alongside the HS2 depot and within the Leeds Enterprise Zone (Aire Valley).
- 2.98 Phase 2 - A System Integration and Innovation Centre capable of replicating the system interaction of the civil, mechanical, electrical and digital systems across the railway operational environment.
- 2.99 This is in direct response to calls from the national and international rail industry for the IHSRSI to have significant system integration capability to support the conventional and high-speed rail sectors. By connecting conventional and digital train control systems through this approach, a unique research and development facility will be created, allowing transformational change in railway research. Phase 3 – The IHSRSI will act as a catalyst for the development of an advanced manufacturing park within the Leeds Enterprise Zone (Aire Valley).
- 2.100 The scheme received decision point 2 (case paper) approval from the Combined Authority on 28 June 2018 as part of the “Call for Projects”. These schemes will be funded through over-programming against the local growth fund and were prioritised on the basis of the benefits derived and their ability to be delivered by March 2021. The Combined Authority have stated to the promoter that funding of this project is dependent on approval of Full Business Case with Finalised costs (decision point 5) by 30th June 2020 and all Combined Authority funding being committed by March 2021.
- 2.101 Since its decision point 2 approval the total project value has increased and as a result the request for Combined Authority funding has now increased from £11.44 million to £13.047 million. This cost increase is a result of design changes that have occurred as a result of further option development in the outline business case, and will result in a scheme which has capacity for additional outcomes.
- 2.102 A summary of the scheme’s business case and location map is included in **Appendix 6**.

Outputs, benefits and inclusive growth implications

- 2.103 Outputs, benefits and inclusive growth implications for Phases 1, 2 and 3 of the programme can be summarised as:
- Establishing an international reputation that will attract key industry investment, spur new enterprise, Small to Medium Enterprise’s and supply chains, to the Leeds City Region;
 - Creation of high value employment and uplifting skills of local workforce (apprentices, technicians, undergraduates and postgraduates in the skills industry needs) and attracting new international students to Leeds;
 - Increased retention of graduates in the Leeds City Region;
 - Growing research and innovation expertise and manufacturing skills across the North;

- Leverage significant 'international' private sector and public research investment in Research & Development;
- De-risking UK and global high speed rail projects by providing facilities and expertise to assess track and vehicle designs and prototypes prior to deployment;
- Co-location of the HS2 depot, HS2 Yorkshire Hub Station and the IHSRSI provides the catalyst for significant future inward investment and export potential including the development of an Advanced Manufacturing Park – Leeds Council estimate that the AMP will generate 3,000 new jobs; and
- Helping to increase the GVA of the region;
- Business rate income to the Combined Authority as a result of its location in an Enterprise Zone.

Risks

2.104 The key risks to the project and the related mitigation are

- Securing all the required match funding and follow-on investment. The University has secured industry co-investment to support Phase 2, and is in the process of formally approving the University of Leeds funding for Phase 1.
- Deliverability within timescales and budgets for Phase 1. The university will under-write any potential scheme overspend in order to reduce this risk.

Costs

2.105 The project costs can be summarised as:

- The total cost of Phase 1 is forecast at £26.093 million, of which £13.047 million will be funded by the Combined Authority. This is a £1.634 million increase from the Combined Authority contribution which received indicative approval at decision point 2 (case paper).
- Funds from the university will be used as match funding (£13.047 million). The Combined Authority funding will only receive full approval once the promoter has demonstrated that the University of Leeds funding has received formal approval.
- Further funding for Phase 2 is currently being sought from other funding sources and private sector investors. This will be substantiated with the scheme's forthcoming full business case.

Timescales

- Decision point 5 (full business case with finalised costs) approval for Phase 1 is forecast for December 2019.

- Phase 1 of the scheme is due to be delivered by spring 2020. Completion of Phases 2 and 3 will be confirmed as part of the full business case.

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 3	Recommendation: Investment Committee Decision: Combined Authority
Decision point 5	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director

Assurance Tolerances

Project tolerances
The Combined Authority's contribution remains at the figure outlined in this report. Programme timescales remain within 3 months of the timescales outlined within this report.

Project responsibilities

Senior Responsible Officer	Professor Lisa Roberts, University of Leeds
Project Manager	Professor Peter Woodward, University of Leeds
Combined Authority case officer	Lisa Childs

Appraisal summary

2.106 The scheme has a strong strategic, commercial and economic case at this stage, although the financial and management cases require more detail. As the full business case is developed, delivery costs and programmes will require additional clarity, to ensure the scheme is deliverable. The Combined Authority will appoint a Project Manager who will work with the University to ensure compliance with the Combined Authority assurance processes and to reduce perceived risk through close working relationships.

Recommendations

2.107 That Investment Committee recommends to the Combined Authority that:

- (i) The Institute for High Speed Rail and System Integration scheme Phase 1 proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).

- (ii) An indicative approval to the Combined Authority's contribution of £13.047 million is given, which will be funded through over-programming against the Local Growth Fund, with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs). The total Phase 1 value is £26.093 million (The University of Leeds will contribute match funding of £13.047 million).
- (iii) Future approvals are made in accordance with the approval pathway and approval route outlined in this report including 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.

Project Title	Leeds Enterprise Zone Power Solution
Stage	2 (Development)
Decision Point	4 (Full business case)

Background

- 2.108 A study by Arup (2015) identified an impending electrical supply shortage at the appropriate voltage to parts of the Leeds Enterprise Zone, which is situated within the Aire Valley. This is predominately due to the lack of existing infrastructure within this emerging development area. The prospect that there may be insufficient electricity capacity to fully develop out the Leeds Enterprise Zone is a major concern and a significant risk to the delivery of the objectives and targets for growth in the Enterprise Zone.
- 2.109 The immediate supply which has been delivered to the area through discrete infrastructure upgrades and reinforcements, is dwindling. Northern Powergrid (the incumbent supplier) is constrained by their financial model which prevents them from investing ahead of demand. As the nearest source becomes further away the associated connection costs are greater and the timescales for connections are longer. This leads to uncertainty and risk for developers which in turn impacts on attracting and securing new development, including inward investment to the Enterprise Zone.
- 2.110 As of June 2018 around 1 million sq. ft. has been developed or is currently being developed on site with power secured for a further 1.1 million sq ft. However, there remains a further 1.4 million sq. ft. of floor space within the Enterprise Zone that will be directly influenced by an energy solution this includes the creation of 2,800 jobs.
- 2.111 Leeds Enterprise Zone (phase 1) power solution outline business case was approved on 1st December 2016 by the Combined Authority. This was for £10 million of grant funding to provide a substation with a 30 Mega Volt Amp (MVA). Since that time an alternative preferable solution has been worked up which enables Northern Powergrid (the local incumbent energy supplier) to carry out upgrading and expansion of the existing infrastructure to provide 18 (MVA) supply to the zone. This reduces public investment by £5 million, provides a more cost effective, shorter delivery time option and does not require building on greenbelt land. Moreover, it is proposed that the cost of delivery will ultimately be recovered from developers through passing on the related power supply costs for the individual sites when they are occupied.
- 2.112 The Leeds City Region Strategic Economic Plan (SEP) 2016-2036 identifies the Leeds Enterprise Zone as a priority for growth and investment. It also highlights the Zone's significant potential to create employment, particularly in manufacturing industries. The Combined Authority will retain business rate income generated in the Enterprise Zone until 2037 providing an opportunity to

utilise this elsewhere in the city region, in effect multiplying the impact of growth.

2.113 The delivery of the infrastructure including all contracting arrangements and repayments will be overseen by a 'project manager' within LCC. Overarching governance will be provided by Leeds Enterprise Zone Strategic Board.

2.114 A summary of the scheme's business case and location map is included in **Appendix 7**.

Outputs, benefits and inclusive growth implications

2.115 The upgrading and expansion of the existing infrastructure to provide an 18 Mega Volt Amp (MVA) supply to the zone will be completed by March 2021. The forecast benefits from this investment are:

- 2,800 Jobs created
- 10 Businesses created /assisted
- 1,323,996 sq ft of commercial floorspace to be constructed
- 100,000 sq ft of learning floorspace to be constructed
- Through making the site an attractive development prospect, this scheme will contribute to the potential for the Combined Authority to earn up to £44.805 million income from the collection of business rates
- Potential repayment of the £5million grant within a 10 year period through the establishment of a repayment mechanism when individual sites in the Enterprise Zone are taken up.

Risks

2.116 The key risks to the project and the related mitigation are

- £5 million is based on detailed discussions only to date. A quote is currently being prepared by Northern Powergrid and following formal acceptance a tender exercise will commence to formalise the costs of works. However it is within Northern Powergrid's business model that during the build programme costs of unforeseen works which exceed the contract contingency budget will be borne by the customer. Similarly any savings will be deducted from the contract sum. Should the £5 million be exceeded the combined authority will be requested to award additional funding. The overall cost per mega voltage amp will subsequently be recalibrated but the repayment methodology will continue with the same potential for full repayment of grant
- The programme of works being proposed is indicative but LCC need to manage timescales. Contractual discussions will consider staged payments to Northern Powergrid to maintain accelerated progress.

Costs

- 2.117 Leeds City Council have been advised that the cost should be circa £4.5 million plus potential additional contingency of 11.11% (£5 million). However a more accurate cost will be determined following formal acceptance of the quote from Northern Powergrid in November.
- 2.118 Stage one checks (including ground investigations and legal and planning approvals) will be undertaken which will then inform the tender exercise managed by Northern Powergrid. Leeds City Council have been assured that the regulated requirements state the lowest cost solution must be provided to the customer.
- 2.119 LCC have included development costs of around £70,000 within the £5 million to account for investigatory reports commissioned and officer time spent on negotiating and developing the bid.

Timescales

- Jan 19 – Forecast decision point 5 submission
- Jan 19 – LCC agree contract with Northern Powergrid for works
- Jan 19 – Northern Powergrid commence tender exercise
- March 19- tender returns and confirmation of contract sum
- March 19 – approval from Combined Authority
- April 19 - Works commence
- March 2021 – Works Complete

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 4 (Full business case)	Recommendation: Investment Committee Decision: Combined Authority
Decision point 5 (Full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director

Assurance Tolerances

Project tolerances
Costs should remain within 10% of the Combined Authority contribution set out in this report. Timescales should remain within 3 months of those set out in his report.

Project responsibilities

Senior Responsible Officer	Mark Mills, Leeds City Council
Project Manager	Adele Blacklock, Leeds City Council
Combined Authority case officer	Sarah Ratcliffe

Appraisal summary

2.120 The project makes strategic, commercial and economic sense strongly supporting growing businesses and delivering the infrastructure for growth. However as the project progresses to decision point 5 more detail is required around costing, project planning, project risks, roles and communication protocols as well as providing a mechanism for recouping costs and ensuring objectives are SMART.

Recommendations

2.121 That Investment Committee recommends to the Combined Authority that:

- (i) The project proceeds through decision point 4 (full business case) and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the total project value of £5 million is given which will be funded by the Combined Authority from the Local Growth fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) Future approvals are made in accordance with the assurance 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.

Project Title	A650 Bradford to Keighley Corridor (Hard Ings)
Stage	2 (Development)
Decision Point	4 (Full business case)

Background

- 2.122 The A650 Hard Ings Road is a strategically important route linking Bradford to Keighley and onward to Skipton via the A620 and Pendle area via the A6088. Most of the A650 is dual carriageway, except for a short section along Hard Ings Road. As such this is a key pinch point that causes congestion issues along the A650. This also has a negative impact on congestion in Keighley town centre.
- 2.123 This project will contribute to the overall objective of the West Yorkshire-plus Transport Fund to increase employment and productivity by completion of transport schemes that improve connectivity. In turn this will contribute to the objectives and targets of the Strategic Economic Plan by supporting economic growth.
- 2.124 This project is a proposal to widen the existing carriageway to provide two running lanes in each direction for the full extent of the section of Hard Ings Road, Keighley between the junctions with the A629 (Beechcliffe roundabout) and Bradford Road roundabout. The scheme length is approximately 0.7 km and will include:
- Widening of 0.7 km of carriageway to two lanes in each direction
 - The installation of traffic signals at the existing Beechcliffe roundabout to improve efficiency and capacity of the junction
 - An additional lane for traffic on the approach to Beechcliffe roundabout on the A629
 - Installation of a signalised junction with pedestrian and cycle crossing facilities (Toucan crossing) at the junction of Hard Ings Road with Lawkholme Lane.
 - Traffic light priority will be introduced at Bradford Road roundabout to assist with bus journey times
 - A shared, two-way cycle and pedestrian footway along the southern side of Hard Ings Road between the Bradford Road roundabout and Keighley Retail Park between the proposed Toucan crossing and Royd Way
 - New and replacement planting and landscaping, including green infrastructure, to mitigate the visual impact of the road and provide replacement habitats for flora and fauna

- Replacement street lighting

2.125 This project will be managed by City of Bradford Metropolitan District Council.

2.126 Gateway 1 approval (equivalent to decision point 3, outline business case) for this project was given in May 2014 against with a previous project approval of £10.3 million.

2.127 A summary of the scheme's business case and location map is included in **Appendix 8**.

Outputs, benefits and inclusive growth implications

2.128 The forecast outputs, benefits and inclusive growth implications are:

- Improved accessibility
- Increase in network capacity for growth
- Reduced congestion
- Improved air quality by a reduction in CO2 emissions of 6,673 tonnes
- Improved environment
- The project aims to create/ safeguard 93 direct jobs
- An increase in Gross Value Added of £7.3 million (2009 prices) by 2036 is expected from this project.
- The benefit cost ratio for the scheme has been calculated at 6.24:1

Risks

2.129 The key risks to the project and the related mitigation are:

- Lack of available resources. This will be mitigated by early identification of required resources and a sound business case.
- Tender returns from contractors higher than anticipated. This will be mitigated through internal checks on the costs of the work elements.

Costs

2.130 The project costs can be summarised as:

- The full business case has presented a total scheme cost of £10.3 million.
- The scheme cost has remained consistent with that presented at outline business case (Gateway 1).
- Further development funding is requested for additional design, land purchase / CPO progression and associated compensation and fees, advance utilities costs and some advance works. The current funding approval for development costs is £1.142 million and an increase of £2.718 million to a total of £3.86 million is requested.

Timescales

- Full business case with finalised costs approval at decision point 5 is forecast for March 2019
- Construction is estimated to commence April 2019
- Forecasted completion date (decision point 6) is March 2020

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 4 (full business case)	Recommendation: Investment Committee Decision: Combined Authority
Decision point 5 (full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director

Assurance Tolerances

Project tolerances
That the scheme costs remain within 5% of the costs identified within this report. That the project delivery timescale remains within 3 months.

Project responsibilities

Senior Responsible Officer	Richard Bruce, Bradford Council
Project Manager	Phil Wagstaff, Bradford Council
Combined Authority case officer	Mott MacDonald (external consultant on behalf of the Combined Authority)

Appraisal summary

- 2.131 The project sets out a clear link to policies and strategies and the need for improvements to be made to reduce congestion and unlock growth in the area has been identified.
- 2.132 There is a strong economic case for the scheme with a benefit cost ratio of 6.24:1, which is categorised as “very high value for money” according to the Department for Transport’s criteria.
- 2.133 The project has the majority of planning permission in place which reduces the risks for the project to proceed. Bradford Council also aim to proceed with contract preparation, procurement and land acquisition prior to the full

business case with finalised costs, submission which enables the project to be delivery ready.

Recommendations

2.134 That Investment Committee recommends to the Combined Authority that:

- (i) The Hard Ings Road Improvements, Keighley project proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs)
- (ii) An indicative approval to the total project value of £10.3 million is given from the West Yorkshire plus Transport Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs)
- (iii) Further development costs of £2.718 million are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) to be funded from the West Yorkshire plus Transport Fund, taking the total project approval to £3.86 million.
- (iv) The Combined Authority enters into an addendum to the existing funding agreement with Bradford City Council for expenditure of up to £3.86 million from the West Yorkshire plus Transport Fund
- (v) Future approvals are made in accordance with the assurance 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.

Project Title	York Outer Ring Road Phase 2 (Monks Cross)
Stage	2 (Development)
Decision Point	4 (Full business case)

Background

2.135 The York Outer Ring Road (YORR) programme includes improvements to seven existing Outer Ring Road roundabouts between the Wetherby Road and Monks Cross junctions. The YORR programme achieved Gateway 1 approval (equivalent to decision point 3 (outline business case) in the Combined Authority's Assurance process) at Investment Committee on 28th November 2014. The Gateway 1 approval allocated £37.6 million to the programme. It was subsequently agreed that the project would progress on a phased package basis with the programme business case being updated for each phase.

2.136 Phase 1 was approved by the Combined Authority's Managing Director on 19 March 2018. It is now on site and due for completion in January 2019.

2.137 Phase 2 will deliver improvements to the roundabout at the junction of A1237 (YORR), Monks Cross Drive, and North Lane, comprising:

- A1237 (YORR) approaches widened to three lanes;
- A1237 (YORR) exits widened to two lanes;
- Enlarge the roundabout;
- Widening of minor arm approaches to match traffic flows.
- Improved facilities for pedestrians and cyclists.

2.138 A summary of the scheme's business case and location map is included in **Appendix 9**.

Outputs, benefits and inclusive growth implications

2.139 The forecast outputs, benefits and inclusive growth implications are set at a programme level for the York Outer Ring Road. These are:

- Enable better access to employment, retail, health and leisure sites in York which serve the surrounding population.
- Enhanced connectivity to the A1(M) and other strategic destinations.
- Reduced end to end journey times around the northern section of the York Outer Ring Road by approximately 20% by 2021. The impact of the upgrades at some congested junctions, such as Haxby roundabout, will be more significant.

- Enhanced journey time reliability for cross-county movements (estimated to be 15-20% of traffic) between origins and destinations in North Yorkshire.
- Reduced localised congestion and delays on approach and exit from the junctions.
- Removal of through traffic from York City Centre due to the decongestion of the Outer Ring Road route.
- Improved safety through the reduction in road accidents.
- Improved air quality in the city centre resulting from improved traffic flows.

Risks

2.140 The key risks to the project and the related mitigation are

- Land assembly is required and still to be concluded. There is a potential impact to the programme should there be significant delays in concluding this. To mitigate this risk, land agents have been appointed to conclude the process and are seeking permissions for early entry to land for pre-construction works.
- As detailed costs are still to be confirmed there remains a risk of cost increases. City of York Council will undertake a robust review of final costs once known, as was carried out for Phase 1 works.

Costs

2.141 The project costs can be summarised as:

- Phase 2 costs estimated at £3.018 million to be confirmed at decision point 5.
- Total programme costs estimated at £38.926 million.
- Additional development funding is not requested at this stage. Development costs of £2.45 million have been approved at a programme level.

Timescales

- Phase 2 - Forecast decision point 5 (full business case with finalised costs) approval - December 2018)
- Phase 2 - Forecast site start - January 2019
- Phase 2 - Forecast completion - October 2019

Assurance pathway and approval route

Assurance pathway	Approval route
Decision point 4	Recommendation: Investment Committee Decision: Combined Authority
Decision point 5	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director

Assurance Tolerances

Project tolerances
Costs should remain within 5% of the Combined Authority's contribution set out in this report. Timescales should remain within 3 months of those set out in this report.

Project responsibilities

Senior Responsible Officer	James Gilchrist (City of York Council)
Project Manager	Gary Frost (City of York Council)
Combined Authority case officer	Thomas Murphy

Appraisal summary

- 2.142 Overall the business case presented provides sufficient evidence and justification that Phase 2 should proceed. The Economic and Strategic Cases for Phase 2 are intrinsically linked to the programme as a whole, when considered at a programme level these cases are sufficiently developed to recommend progression. The programme's benefits cost ratio is 2.9:1.
- 2.143 Whilst benefits are being measured at a programme level, there will be localised benefits realised at this junction once improvement works are delivered.
- 2.144 The roundabout proposals are all being designed to accommodate future enhancement to dual carriageway standard for the A1237. A Transformational Project is also currently underway to develop an outline Strategic Business Case for dualling of the A1237.
- 2.145 City of York council have recently submitted a draft Outline Business Case for funding from the Department for Transport to support dualling of the A1237 between the A19 and Hopgrove Roundabout as part of the Major Road Network. An announcement has recently been made by the Transport Secretary that City of York Council have been successful. It is understood that

work will now start to prepare a final Outline Business Case for submission to the Department for Transport in order to obtain greater security around the funding. Construction of the first improvements on the new Major Road Network are expected to start in 2020-21. In order to achieve an efficient design and construction process to incorporate the dual carriageway sections, there may be impacts on the programme for Phases 3 and 4. This will be confirmed in due course as further details on the MRN funding become available.

Recommendations

2.146 That Investment Committee recommends to the Combined Authority that:

- (i) The York Outer Ring Road Phase 2 project proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs)
- (ii) An indicative approval to Phase 2 to the value of £3.018 million is given from the West Yorkshire plus Transport Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) Future approvals are made in accordance with the assurance 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.

Project Title	Rail Park and Ride Programme Phase 1
Stage	2 (Development)
Decision Point	Change Request – activity 3 (Outline business case)

Background

2.147 The Rail Park & Ride Programme: phase 1 supports the growth in rail demand by increasing parking capacity at rail station car parks. The programme was first approved by the Combined Authority in February 2016 and is funded by the West Yorkshire plus Transport Fund. The development of each car park will provide the following:

- Additional standard car parking spaces
- Department of Transport compliant number of blue badge car parking spaces.
- Additional closed circuit television and low energy lighting
- Re-surfaced and re-marked existing car park surfaces
- Enhanced drainage infrastructure, with fuel and oil interceptors
- Provision for more sustainable travel modes if not already provided including: cycle stands, motorcycle bays, future proofing for two electric vehicle charging bays where appropriate.

Description of Change Request

2.148 Phase 1 included sites currently in public ownership (owned either by Network Rail or local authorities) where land acquisitions were not required and sites could be converted to car parks in shorter timeframes.

2.149 There are three key changes that have resulted in the requirement to re-programme within phase 1 Rail Park & Ride programme.

2.150 Initial feasibility for some sites has identified that land is not publicly owned and additional station car parking is no longer deliverable with sites being put on hold or removed from the programme. Other schemes provide an opportunity to increase, above expectations, the number of parking spaces providing a greater return on investment. The re-programming within phase 1 will enable schemes not deliverable to be removed from the programme and facilitate the funding of larger scale schemes that are deliverable within the programme timescales.

2.151 This change request also proposes that resource costs that are incurred at a programme level to March 2021 are charged to the programme funding approval as a whole rather than to the individual schemes.

2.152 Project development costs for individual schemes are already approved, with the exception of the Ben Rhydding scheme. This scheme has now been further defined and costs estimated. Development costs are now required to develop the outline business case which will be considered by the Investment Committee at a future date.

Sites in delivery/complete

Site	Additional parking spaces
South Elmsall	50
Fitzwilliam	103
Mirfield A	25
Hebden Bridge	45

Sites in development – working towards full business case with finalised costs

Site	Additional parking spaces
Mytholmroyd	203
Normanton	134
ShIPLEY	153
Steeton & Silsden	123

Sites at feasibility stage

Site	Additional parking spaces
Apperley Bridge	394
Ben Rhydding	200
Garforth	97
Guisley	334
Moorthorpe	83
Outwood	125

Sites with 3rd party land issues, on hold and transfer to phase 2

2.153 Phase 2 of the programme will include the following:

- Knottingley: Wakefield Council to secure option to purchase 3rd party land; if successful the Combined Authority will re-assess demand for parking at the rail station.

- Morley: 3rd party land contaminated with challenging infrastructure requirements, resulting in the scheme, as it is, being unaffordable. There is an opportunity for the Combined Authority, Network Rail and Leeds City Council to collaborate and re-evaluate the scheme.
- Mirfield B: the land identified for this scheme is now required by the landowner, Network Rail. Work will be conducted in phase 2 to identify the suitability of alternative sites.

Sites not progressing in the programme

2.154 Horsforth, Menston, Brighouse and Pannal, where no suitable sites are available for enhanced provision.

Outputs, benefits and inclusive growth implications

2.155 The forecast outputs, benefits and inclusive growth implications are:

- Gross Value Added (GVA) at programme level - £8.2 million
- Employment benefit at programme level – an additional 117 jobs
- At programme level, spend will remain within £30.5 million yet has the potential to yield 30% more parking spaces than originally forecasted.
- Extend free rail car parking and enhance employment accessibility through the provision of additional car parking spaces
- Improve overall journey times through better access to the rail network
- Alleviate local streets from on-street parking by rail users
- Increase provision of Blue Badge parking bays
- Reduce car journeys and encourage modal shift onto rail through improved accessibility to the rail network.

Risks

2.156 The key risks to the project and the related mitigation are:

- The biggest risk to the programme is the issue of car park maintenance. The programme is capital funded and does not have the revenue funding to cover the costs of ongoing maintenance therefore maintenance has to be finalised before each scheme can be approved at decision point 5 (full business case with finalised costs). Negotiations with Arriva Rail North (ARN) who are responsible for delivering half of the programme have resulted in their re-commitment to maintain the new car parks once completed. Discussions with district partners are ongoing.
- Programme: more complex schemes such as Guiseley and Apperley Bridge have challenging programmes which may result in delivery after March 2021. This is being mitigated by exploring if feasibility and design works can commence as soon as possible.

Costs

2.157 The programme costs can be summarised as:

- The total cost of the schemes in the programme in delivery and developed is £30.5 million.
- Project development costs £150,000 are requested for the feasibility and option selection for Ben Rhydding.
- Recharging the programme-level resource costs to the programme-level expenditure approval will require a funding increase of £540,000 taking the approval from £1.161 million to £1.701 million. This is affordable within the overall allocation for the programme of £30.5 million.

Timescales

- Forecast full approval of all sites by January 2020
- Forecast start of phased construction date by September 2020

Assurance pathway and approval route

Assurance pathway	Approval route
Stage 2 (Development) change request	Recommendation: Investment Committee Decision: Combined Authority
Each scheme within the Programme will proceed through its own assurance pathway and approval route as defined by the scale and complexity of each scheme.	

Assurance Tolerances

Project tolerances
That Combined Authority costs should remain within 10% of the costs outlined in this report. That timescales should remain within 6 months of the timescales set out in this report. That all scheme outputs remain within 20% of those detailed in the business case.

Project responsibilities

Senior Responsible Officer	Melanie Corcoran, Combined Authority
Project Manager	Sara Brook, Combined Authority
Combined Authority case officer	Paul Coy

Appraisal summary

2.158 The overall number of schemes within the Rail Park & Ride programme has changed from 16 to 14 yet still has the potential to generate 30% more spaces and therefore provides a more efficient use of resources.

- 2.159 The economic case for each individual scheme will be assessed as part of decision point 5 (full business case with finalised costs) approval and the accumulative benefits will be assessed at programme level towards 2021.
- 2.160 At programme level, the expenditure will remain within £30.5 million yet has the potential to yield 30% more parking spaces than originally forecasted.
- 2.161 The management case has become more complex. However Arriva Rail North have since re-affirmed their commitment to maintain the phase 1 car parks and discussions with district partners are ongoing.

Recommendations

- 2.162 That Investment Committee recommends to the Combined Authority that:
- (i) The change request to the Rail Park & Ride Programme phase 1 re-programming and re-allocation of funds within the programme is approved. This highlights as to which schemes will progress in phase 1 and which schemes will be moved into phase 2.
 - (ii) Development costs of up to £150,000 for the Ben Rhydding scheme from West Yorkshire plus Transport Fund are approved, subject to confirmation from the City of Bradford Metropolitan District Council that land will be made available.
 - (iii) That the Rail Park and Ride Phase 1 programme-level expenditure approval will increase from £1.161 million to £1.701 million to be funded from the West Yorkshire plus Transport 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.

Project Title	Outwood Station Park and Ride
Stage	2 (Development)
Decision Point	Change Request – activity 3 (Outline business case)

Background

- 2.163 The Combined Authority Rail Park & Ride Programme is funded through the West Yorkshire plus Transport Fund. It consists of 14 sites adjacent to rail stations that are to be developed into car parking for the benefit of rail users.
- 2.164 The West Yorkshire Combined Authority approved Outwood Rail Station at decision point 2 in June 2017 at a total scheme value of £1.540 million including £110,600 developments costs. Wakefield Council is the land owner of the potential site and the car park extension will be delivered, operated and maintained by them. As part of the business case development four options were appraised. The selected preferred option does not require third party land acquisition and was the least expensive in terms of total scheme costs. The car park extension will include additional parking bays; LED lighting, closed circuit television, drainage and access road. This access road has been identified as a scope change and has been appraised as part of this change request.

Description of Change Request

- 2.165 An independent options appraisal was undertaken and a preferred option selected. Whilst this had the lowest total scheme costs and was considered to be the most effective option, costs have increased from those presented at decision point 2. However, this can be accommodated within the re-profiling of the Phase 1 programme.
- 2.166 The scope of the Rail Park & Ride Programme is restricted to the car park and does not allow for works to the station itself or highways; however the preferred option is only deliverable with the inclusion of a 400 metre access road and as a result requires a change to the scope of the scheme set out by the programme.
- 2.167 Wakefield Council have agreed to maintain the new access road and car park. This was originally out of scope, but when reviewing the other options this was considered to be the best approach and this will form part of the funding agreement.

Outputs, benefits and inclusive growth implications

- 2.168 The forecast outputs, benefits and inclusive growth implications are:
- 125 marked parking bays, access road, CCTV, drainage, lighting.

- Improved connectivity to the rail network and urban centres reducing overall journey times.

Risks

2.169 The key risks to the project and the related mitigation are

- The anticipated demand for the car park is significantly lower than expected. Mitigation - This will be mitigated by performing surveys to review the benefits of the before and after scenarios.
- Additional parking may not increase use of the station, but transfer vehicles from the side roads currently being used. Mitigation - This will be mitigated by performing surveys to review the benefits of the before and after scenarios.
- Increase in funding required to accommodate within the overall Rail Park & Ride Programme as a result of this change request. Mitigation – A change request for re-programming the phase 1 Rail Park & Ride programme, which includes this revised scheme is being presented to the same Investment Committee meeting.

Costs

2.170 The project costs can be summarised as:

- The total estimated project costs for the scheme are £1.540 million. This is a £440,000 increase from the total scheme costs presented at decision point 2.
- Development costs have increased by £29,400 from the original approval of £110,600 to £140,000. As a result the Combined Authority will also enter into a funding agreement with Wakefield Council for expenditure up to £130,000

Timescales

- The forecast full approval is November 2019.
- The forecast completion date is November 2020.

Assurance pathway and approval route

Assurance pathway	Approval route
Activity 3 change request (Outline business case)	Recommendation: Investment Committee Decision: Combined Authority
Decision point 5 (full business case with finalised costs)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Managing Director

Assurance Tolerances

Project tolerances
That Combined Authority costs should remain within 10% of the costs outlined in this report.
That timescales should remain within 6 months of the timescales set out in this report.
That if all scheme outputs decrease by more than 20%.

Project responsibilities

Senior Responsible Officer	Melanie Corcoran, Combined Authority
Project Manager	Sara Brook, Combined Authority
Combined Authority case officer	Paul Coy, Combined Authority

Appraisal summary

2.171 The strategic change with regards to option 2, would mean that an access road would need to be provided to the car park. The demand for the scheme is strong which will double the capacity. In terms of economic case the benefit cost ratio estimated at worst case is 2.3:1 which is good. It is expected that this will be improved after the tender process. The increase in costs is affordable as a result of the re-programming within phase 1 of the overall Rail Park and Ride Programme.

Recommendations

2.172 That Investment Committee recommends to the Combined Authority that:

- (i) The change request to extend the scope at Outwood Rail Station is approved to include the provision of an access road.
- (ii) That indicative approval is given to the revised scheme costs of £1.540 million which will be funded from the West Yorkshire plus Transport Fund.
- (iii) That additional development costs of £29,400 are approved taking the total expenditure approval for project development to £140,000.
- (iv) Combined Authority enter into a funding agreement with Wakefield Council for expenditure up to the value of £130,000.
- (v) Future approvals are made in accordance with the approval pathway and approval route outlined in this report 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 3: Delivery and evaluation



Project Title	Access to Capital Grants
Stage	3 (Delivery and evaluation)
Decision Point	Change Request – activity 6 (Delivery)

Background

- 2.173 The £15.7 million Access to Capital Grants (A2CG) programme provides capital grants to growing businesses to assist them with the purchase of new equipment and machinery, and to assist with the cost of fitting-out or refurbishing business premises. The scheme delivery period is April 2016 to end of March 2021.
- 2.174 £1.75 million of the programme budget was assigned as match-funding to two other European Regional Development Fund (ERDF) projects in 2016, namely Ad-Venture (support for new businesses) and Digital Enterprise (support for businesses to enhance their digital capability), both of which are delivered by Leeds City Council (LCC) as the lead organisation with support from a range of other partners, including the Combined Authority and Local Enterprise Partnership. This assigned funding enabled the projects to progress by providing vital match-funding, both in terms of the £1.75 million itself and the SME-match-funding that it unlocked i.e. the £1.75 million was awarded as capital grants to businesses on both schemes, with the money that the individual grant-recipients are required to invest alongside the grants, being used as match-funding. Both projects have been successful to date in supporting firms across the City Region and contributing to the Combined Authority's Local Growth Fund (LGF) outputs; they have collectively created over 100 jobs, with over 300 more in the pipeline.
- 2.175 Both projects have been running for two years and are well-regarded as important components of the City Region's business support offer. The Growth Service is the key referral point for both projects, both in terms of referrals from the Business Gateway, the team of small to medium sized enterprises (SME) growth managers and from the other main products and services currently available to businesses in the City Region. The table below sets out the impact of both projects over the last two years:

Project	Grant invested (as of July 2018)	Businesses supported	Jobs created
AD:Venture	£400,000 (all LGF) £637,000 committed (all LGF)	137 with grants 744 with advice	74 actual 205 committed
Digital Enterprise	£1.4 million (£550,000 of LGF)	558 with grants 325 with advice	35 actual 1560 committed

2.176 It is unlikely that the projects would have achieved the above impact, or even have been delivered at all, without the match-funding from the Local Growth Fund as this effectively enabled them to double the project budgets and outputs.

Description of Change Request

2.177 Leeds City Council is in the process of applying to the ERDF for three-year extensions for both projects and are again requesting match-funding from the Combined Authority via the A2CG budget as follows - £1 million for Ad:Venture and £750,000 for Digital Enterprise.

2.178 The change request is to assign £1.75 million of the Combined Authority's Local Growth Fund as match funding for the proposed extension of both Ad:Venture and Digital Enterprise schemes for, and authorise, a bid for European Regional Development Funding by lead partner Leeds City Council and authorise Leeds City Council to manage the capital grant elements of both Ad:Venture and Digital Enterprise schemes, on behalf of the Combined Authority/Local Enterprise Partnership.

2.179 The schemes, subject to a successful ERDF funding bid, would extend beyond 2021 when the Combined Authority's Local Growth Fund comes to an end. Both schemes will fully spend the Local Growth Fund allocations by the end of March 2021.

Outputs, benefits and inclusive growth implications

2.180 The Access to Capital Grants programme:

- Raises the innovation levels of Leeds City Region Small and Medium sized Enterprises (SMEs) and develops strong and sustainable supply chains, particularly in the City Region's key economic sectors (e.g. manufacturing, creative & digital, medical technology);
- Raises start-up levels in the City Region by targeting start-ups with potential to achieve turnover of £500,000 within three years of starting trading, or to have at least 5 employees within three years;
- Supports businesses to become more efficient and productive through enhanced use of digital technologies;

- Creates direct and indirect employment in SMEs across the City Region (e.g. at least 1,600 gross new jobs) and, through a focus on re-shoring and the development of new products and processes, delivers additional economic value to UK plc;
- Improves the gross value added position of the Leeds City Region economy;
- Levers significant private sector investment alongside beneficiary SMEs at a ratio of 1:3; and
- Provides a coordinated ladder of grant investment, with clear and robust links to other available sources of finance for SMEs in LCR with well-defined growth projects.
- The opportunity to assign match funding from the Local Growth Fund to an anticipated extension to two existing successful programmes (Ad:Venture and Digital Enterprise) means enabling the leverage of additional funding from the European Regional Development Fund and additional outputs through an additional 175 job outcomes from the Ad:Venture and Digital Enterprise schemes.

Risks

2.181 The key risks to the project and the related mitigation are

- Reputational risk if the Combined Authority does not assign match funding to proven successful programmes across the City Region. This risk is mitigated by a strong business case for assigning the match funding.
- Reputational risk to the Combined Authority and wider City Region if the provision of business support through local partners is not successful. This risk is mitigated by good performance by local partners to date and the Combined Authority business support team working closely with local partners and within their delegated authority for decision making. All grant awards using the Local Growth Fund monies will be made in accordance with the Combined Authority's Assurance Framework and Officer Scheme of Delegations.

Costs

2.182 The total project costs for the whole Access to Capital Grants programme will remain at £15.7 million up to end of March 2021.

2.183 The total project costs for each of the two projects to which match funding from the Local Growth Fund is being assigned is as follows:

- Digital Enterprise total scheme cost is £10 million, with £750,000 from Local Growth Fund via Access to Capital Grants.
- Ad:Venture total scheme cost is £11 million, with £1 million from Local Growth Fund via Access to Capital Grants.

Timescales

- 2.184 The request to assign £1.75 million of the Access to Capital Grants budget to support two bids to the ERDF for two projects (Ad:Venture and Digital Enterprise) that will commence delivery in October 2019 for three years.

Assurance pathway and approval route

Assurance pathway	Approval route
Activity 6 change request (Delivery)	Recommendation: Investment Committee Decision: Combined Authority's Managing Director delegated decision
Decision point 7 (close and review)	Recommendation: Combined Authority's Programme Appraisal Team Decision: Combined Authority's Director of Delivery

Tolerances

Project tolerances
That the total project costs remain within the costs identified within this report. That the project delivery timescale remains within three months of the timescales identified within this report.

Project responsibilities

Senior Responsible Officer	Sue Cooke, Combined Authority
Project Manager	Henry Rigg, Combined Authority
Combined Authority case officer	Mary Innes

Appraisal summary

- 2.185 This change request outlines how the capital grants elements of the Ad:Venture and Digital Enterprise schemes within Access to Capital Grants Programme will be delivered through the Combined Authority partners, with Leeds City Council as the lead partner. This had not been explicit at the time of the programme's original approval.
- 2.186 Additionally, the change request is to assign £1.75 million of the Local Growth Fund (from Access to Capital Grants) as match funding for two Leeds City Council-led ERDF bids (£1 million for Ad:Venture and £750,000 for Digital Enterprise) to extend the current successful schemes for a further three years from October 2019.

2.187 The proposed changes are clear, logical and will lead to the continuation of a successful programme delivered even more efficiently and effectively, subject to a successful EDRF bid.

Recommendations

2.188 That Investment Committee recommends to the Combined Authority's Managing Director that:

- (i) The change request to the Access to Capital Grants programme is approved to:
 - Assign £1.75 million of the Local Growth Fund as match funding for the capital grants elements of the proposed extension of both Ad:Venture (£1 million from Local Growth Fund) and Digital Enterprise (£750,000 from Local Growth Fund) schemes, and provide confirmation of the match-funding to support bids for the two schemes for European Regional Development Funding to be led by Leeds City Council;
 - Authorise Leeds City Council to manage the capital grants elements of both Ad:Venture and Digital Enterprise schemes on behalf of the Combined Authority and for the benefit of the Leeds City Region.
- (i) 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.

Decisions made through the delegation to the Managing Director

2.189 Since Investment Committee's meeting on the 5 September 2018, decisions regarding the following schemes has been exercised. This decision was made through the delegation to the Combined Authority's Managing Director following a recommendation from Combined Authority's Programme Appraisal Team. In order for a decision to be made through a delegation to the Managing Director, the scheme must remain within the assurance tolerances that have been approved at an earlier decision point. All the schemes outlined below have remained within their approved delegations unless stated otherwise below

Clean Bus Technology Fund scheme

2.190 This decision point 5 approval relates to the Clean Bus Technology Fund scheme and work starting on activity 6 (delivery). The project will fund cleaner emission technology on approximately 30% of the existing bus fleet across West Yorkshire from the Department for Environment, Food and Rural Affairs (DEFRA) Clean Bus Technology Fund (CBTF) and the Leeds Public Transport Investment Programme (LPTIP). The scheme was first approved by the Combined Authority in May 2018. The Managing Director approved the decision point 5 total project value of £6.088 million on 21 September 2018. This will be funded as follows

- £4.21 million from the Department for Food and Rural Affairs Clean Bus Technology Fund (£2.84 million Combined Authority grant and £1.37 million Leeds City Council grant)
- £850,000 from Leeds Public Transport Investment Programme (LPTIP), (which was subject to endorsement by the LPTIP Programme Board in October 2018)
- £1.028 million from bus operators match funding.

2.191 The Bus Delivery Board and LPTIP Programme Board have since endorsed the £850,000 from LPTIP in October 2018. The Managing Director also approved the Combined Authority enter into grant agreements with bus operators for expenditure up to £4.21 million from the Clean Bus Technology Fund.

2.192 A summary of the scheme's business case is included in **Appendix 10**.

West Yorkshire Urban Traffic Management Control project

2.193 The decision point 4 (full business case) approval related to the West Yorkshire Urban Traffic Management Control project and work starting on activity 5 (full business case with finalised costs). The 2015 West Yorkshire plus Transport Fund submission to Government included the West Yorkshire Urban Traffic Management Control (UTMC) project which aims to reduce the effects of congestion and the resulting costs to the local economy. The scheme aims to achieve this through securing efficiencies from and improvements to the various systems and technologies used across the

region. The project will fund on-street improvements including improved technology at key junctions, a common database and an integrated team.

- 2.194 The scheme was first approved by the Combined Authority in April 2016. The Managing Director approved the decision point 4 indicative total project value of £7.490 million from the West Yorkshire plus Transport Fund 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). This approval was received on the 21 September 2018.
- 2.195 A summary of the scheme's business case is included in **Appendix 11**.

ULEV Taxi scheme

- 2.196 The decision point 5 approval related to the ULEV taxi scheme and work starting on activity 6 (delivery). The ULEV taxi scheme, funded by the Combined Authority through funding from the Office for Low Emissions (OLEV) and Local Transport Fund (LTP), will install a minimum of 88 taxi only electric rapid charge point sites which will deliver reductions and nitrogen oxide emissions from taxis and associated improved local air quality across West Yorkshire. The scheme was approved at decision point 4 by the Combined Authority in June 2018. The Managing Director approved the decision point 5 for expenditure of £3.18 million, funded through £1.20 million from the LTP fund and £1.98 million from OLEV; authority to enter into a framework agreement with the preferred Electric Vehicle Charge Point supplier and funding agreements with West Yorkshire Partner Councils on 5 October 2018.
- 2.197 A summary of the scheme's business case is included in **Appendix 12**.

Natural Flood Management – Calder and Colne

- 2.198 This change request relates to the Leeds City Region Natural Flood Management Programme – Colne and Calder which received Managing Director delegated approval for decision point 4 in April 2018 and has now progressed to decision point 5 (full business case with finalised costs). The purpose of the Local Growth funded programme is to develop an "integrated flood risk reduction programme" to address the urgent need for greater resilience against flooding to protect and retain businesses and employment, and to maintain the transport network. This includes the Calder and Colne project which will implement natural flood management measures within the prioritised sub-catchment areas of the rivers Colne and Calder. The project will deliver increased woodland cover, run off attenuation measures (leaky dams in the landscape), peat and heath restoration and fencing to reverse and prevent further damage by sheep, deer and walkers. While there is no change to the Combined Authority Funding, higher levels of match funding secured by the project were required to be approved as the total project value tolerance of 10% at outline business case and 0% at full business case was exceeded. As there is no change to the Combined Authority's Growth Deal funding as a result of this change request, the Combined Authority's Programme Appraisal Team considered that the approval could still be made through the delegation

to the Combined Authority's Managing Director. This approval was received on the on 24 August 2018.

A629 Phase 1a & Monitoring/Evaluation

- 2.199 This change request relates to the A629 Halifax to Huddersfield corridor improvement scheme within the West Yorkshire plus Transport Fund Delivery programme which will enable Calderdale as the primary beneficiary to fulfil its growth ambition. Phase 1a concentrates on the A629 north of the Calder and Hebble junction, a junction which is widely acknowledged as Calderdale's most significant congestion pinch point. The scheme received Managing Director delegated approval for decision point 5 in June 2017 and is now in delivery (activity 6). Phase 1a of the scheme is an enabling component to unlock constrained investment opportunities in Halifax. The change request is to request an additional £343,344 delivery costs and to re-allocate £39,812 of costs from the A629 Phase 1a post construction evaluation into the programme monitoring allocation. The reason for these changes are:
- 2.200 The point where the scheme ties in with the A629 phase 1b has developed further since the contract was awarded, and there's an opportunity for Calderdale to instruct the contractors that are on site to vary the scope, thereby avoiding abortive works being constructed as part of phase 1a once phase 1b is into delivery.
- 2.201 The programme baseline monitoring has taken longer to complete and cost more than anticipated due to the snap national election that was called in spring 2017. Project management costs for Calderdale and Combined Authority staff were also not factored into the original costs. This will not have a detrimental effect on the budget available for post construction evaluation on the scheme.
- 2.202 This change request was within the tolerances defined for the programme and as a result could be approved through a delegation to the Combined Authority's Managing Director. This approval was received on the 12 October 2018.

A629 Phase 2 (Halifax bus station)

- 2.203 This change request also relates to the A629 Halifax to Huddersfield corridor improvement scheme within the West Yorkshire plus Transport Fund Delivery programme which will enable Calderdale as the primary beneficiary to fulfil its growth ambition. The development and delivery of a new bus station in Halifax is critical to the successful delivery of the A629 Phase 2 Halifax Town Centre highway infrastructure improvements to be realised through the programme. The inclusion of a new bus station was incorporated within the A629 Phase 2 outline business case in December 2015, yet the level of project assessment and feasibility of a new facility at this point was limited, based on information at that time (particularly around the proposed redevelopment for the adjacent Northgate House site), and was developed on providing a smaller scale bus station. In recognition of the fact that the Combined Authority are the asset owner, the organisation's remit for public transport services and the

experience it holds for new bus station redevelopment with the recent success in delivering new bus stations in the region, Calderdale Council sought agreement with the Combined Authority that the Combined Authority lead on the work package to undertake more detailed pre-feasibility works and an option appraisal study to identify and develop this aspects of the wider A629 Phase 2. Calderdale Council have now identified their preferred bus station option to be developed to outline business case. On that basis, further development funding of £366,415, taking the total development costs to £2.981 million was requested through this change request. This change request was within the tolerances defined for the programme and as a result could be approved through a delegation to the Combined Authority's Director of Resources, on behalf of the Managing Director. This approval was received on the on 31 July 2018.

Decisions made through the delegation to the Director of Delivery

2.204 Since Investment Committee's meeting on the 5 September 2018, decisions regarding the following schemes has been exercised. This decision was made through the delegation to the Combined Authority's Director of Delivery following a recommendation from Combined Authority's Programme Appraisal Team.

Kirklees College Process Manufacturing Centre.

2.205 The project closure report for the Process Manufacturing Centre was approved to proceed through Decision Point 7 and for work to continue on Benefits Realisation.

2.206 The project has met the key deliverables of a new build and fit out of 975 m² (gross internal area) to build and fit-out 995 m² of space to create a new learning facility providing specialist training in process manufacturing and process control, within the budget of £5,140,721 set (£3,100,996 CA, £1,078,894 Kirklees College, £960,831 private sector and substantial equipment donations). The scheme objective was to develop a world-class learning facility (National College) for the Leeds City Region in the Advanced (Process) Manufacturing sector.

2.207 The PMC completed in May 16 with a GIA of 995m² and opened in autumn 2016. The current forecast is 157 apprenticeships for the centre's second year of operation. Changes to the apprenticeship funding system has been a limiting factor, but growth is now apparent, with existing companies increasing their apprenticeship numbers and new companies engaging with the PMC. The main growth areas have been the 'Food and Drink' industry apprenticeship standards (63%) and the new Supply Chain Practitioner apprenticeship standard (13%).

2.208 There is significant employer engagement with these programme with some employers setting up 'national academies' with key managers acting as boards of governors overseeing the apprentice programme progress. The feedback from employers has been that the new facilities (PMC) and the links to the existing Engineering provision were pivotal in their decisions to use Kirklees

College as apprenticeship provider. Moreover, the collaborative approach of the PMC with respect to industry partners has allowed for master classes to be delivered by industry experts. Finally, students from schools across Kirklees have been able to meet employers to discuss careers in engineering at events such as 'Engineering your future' on the 20th March 18

2.209 Companies who have engaged with the PMC are supported with work force development not just apprenticeship provision. With the new apprenticeship standards and funding rules, this allows companies to focus on their existing employees, and the PMC are tailoring programmes to fit in with shift patterns. This is currently being deployed at a major global drinks company based in Wakefield with a 24/7 four shift team operation. At a National Level within the first year of operation PMC secured the national provision for engineering apprenticeships for both Nestle and Hovis UK, as well as the rollout of a process operation apprenticeship programme for Heineken UK starting at the Hereford brewery.

2.210 The College continues to work effectively with the Science Industry Employer Forum who meet on a quarterly basis involving all regional multi-national companies to ensure PMC supports them in achieving their strategic objectives. The Food and Drink Employer Forum, led by the College, now includes all Nestle sites nationally to ensure consistency of delivery. A member of the College's PMC staff is also a member of the Nestle group board of governors for the apprenticeship programme.

2.211 However, the project is not forecasted to meet all of the key outputs in accordance with the funding agreement. Unfortunately, due to the current climate in further education, current forecasts indicate that the student numbers will be 78% of the original forecast (1163 to 907). Therefore, the outputs in the funding will be amended to reflect these forecasted learner numbers. However, there has been significant employer engagement at PMC, supporting regional business growth in the food and drink sector. The College are confident that the range of new apprenticeship standards developed and being delivered will be a bedrock for growth in this skill priority area.

3 Inclusive growth implications

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

4 Financial implications

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

5 Legal implications

5.1 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.

6 Staffing implications

- 6.1 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.

7 External consultees

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

8 Recommendations

Project Lapwing

- 8.1 That Investment Committee recommends to the Combined Authority that:
- (i) The Lapwing project proceeds through decision point 2 and work commences on activity 5 (full business case with finalised costs).
 - (ii) An indicative approval to the Combined Authority's contribution of £1million (which will be funded through the Local Growth Fund's Strategic Inward Investment Fund) is given with full approval to spend being granted, once the scheme has progressed through the Assurance Process to decision point 5 (full business case with finalised costs).
 - (iii) Future approvals are made in accordance with the assurance 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.

A61S Bus Priority Corridor, Leeds

- 8.2 That Investment Committee recommends to the Combined Authority that:
- (i) The A61 South project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
 - (ii) An indicative approval to the total project value of £14.15 million is given from the Leeds Public Transport Investment Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
 - (iii) 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.

Stourton Park and Ride

8.3 That Investment Committee recommends to the Combined Authority that:

- (i) The Stourton Park and Ride project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval is given to the total project value of £30.1 million, of which £27.3 million will be funded by the Combined Authority from the Leeds Public Transport Investment Fund, 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). This indicative approval is subject the scheme being successful in gaining ERDF funding for the scheme. In the event that the ERDF bid is not successful an indicative approval of £25.4 million from the Leeds Public Transport Investment Fund will be applied.
- (iii) Further development costs of £635,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs).
- (iv) The Combined Authority enters into an addendum to the existing funding agreement with Leeds City Council to increase by £635,000 from the Leeds Public Transport Investment Fund.
- (v) Future approvals are made in accordance with the assurance 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.

Elland Road Park and Ride Phase 3

8.4 That Investment Committee recommends to the Combined Authority that:

- (i) The Elland Road Park and Ride Phase 3 project proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the total project value of £5.75 million is given to be funded from the Combined Authority from the Leeds Public Transport Investment Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) Further development costs of £165,000 are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) taking the total development cost expenditure approval to £410,000.

- (iv) The Combined Authority enters into an addendum to the existing Funding Agreement with Leeds City Council to increase by £165,000 from the Leeds Public Transport Investment Fund for expenditure of up to £410,000.
- (v) Future approvals are made in accordance with the assurance 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.

Institute of High Speed Railways and System Integration

8.5 That Investment Committee recommends to the Combined Authority that:

- (i) The Institute for High Speed Rail and System Integration scheme Phase 1 proceeds through decision point 3 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the Combined Authority's contribution of £13.047 million is given, which will be funded through over-programming against the Local Growth Fund, with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs). The total Phase 1 value is £26.093 million (The University of Leeds will contribute match funding of £13.047 million).
- (iii) Future approvals are made in accordance with the approval pathway and approval route outlined in this report including 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.

Leeds Enterprise Zone Power Solution

8.6 That Investment Committee recommends to the Combined Authority that:

- (i) The project proceeds through decision point 4 (full business case) and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the total project value of £5 million is given which will be funded by the Combined Authority from the Local Growth fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) Future approvals are made in accordance with the assurance 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.

A650 Bradford to Keighley Corridor (Hard Ings)

8.7 That Investment Committee recommends to the Combined Authority that:

- (i) The Hard Ings Road Improvements, Keighley project proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to the total project value of £10.3 million is given from the West Yorkshire plus Transport Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) Further development costs of £2.718 million are approved in order to progress the scheme to decision point 5 (full business case with finalised costs) to be funded from the West Yorkshire plus Transport Fund, taking the total project approval to £3.86 million.
- (iv) The Combined Authority enters into an addendum to the existing funding agreement with Bradford City Council for expenditure of up to £3.86 million from the West Yorkshire plus Transport Fund.
- (v) Future approvals are made in accordance with the assurance 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.

York Outer Ring Road Phase 2 (Monks Cross)

8.8 That Investment Committee recommends to the Combined Authority that:

- (i) The York Outer Ring Road Phase 2 project proceeds through decision point 4 and work commences on activity 5 (full business case with finalised costs).
- (ii) An indicative approval to Phase 2 to the value of £3.018 million is given from the West Yorkshire plus Transport Fund with full approval to spend being granted once the scheme has progressed through the assurance process to decision point 5 (full business case with finalised costs).
- (iii) Future approvals are made in accordance with the assurance 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.

Rail Park and Ride Programme Phase 1

- 8.9 That Investment Committee recommends to the Combined Authority that:
- (i) The change request to the Rail Park & Ride Programme phase 1 re-programming and re-allocation of funds within the programme is approved. This highlights as to which schemes will progress in phase 1 and which schemes will be moved into phase 2.
 - (ii) Development costs of up to £150,000 for the Ben Rhydding scheme from West Yorkshire plus Transport Fund are approved, subject to confirmation from the City of Bradford Metropolitan District Council that land will be made available.
 - (iii) That the Rail Park and Ride Phase 1 programme-level expenditure approval will increase from £1.161 million to £1.701 million to be funded from the West Yorkshire plus Transport 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.

Outwood Station Park and Ride

- 8.10 That Investment Committee recommends to the Combined Authority that:
- (i) The change request to extend the scope at Outwood Rail Station is approved to include the provision of an access road.
 - (ii) That indicative approval is given to the revised scheme costs of £1.540 million which will be funded from the West Yorkshire plus Transport Fund.
 - (iii) That additional development costs of £29,400 are approved taking the total expenditure approval for project development to £140,000.
 - (iv) Combined Authority enter into a funding agreement with Wakefield Council for expenditure up to the value of £130,000.
 - (v) Future approvals are made in accordance with the approval pathway and approval route outlined in this report 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.

Access to Capital Grants

- 8.11 That Investment Committee recommends to the Combined Authority's Managing Director that:
- (i) The change request to the Access to Capital Grants programme is approved to:

- Assign £1.75 million of the Local Growth Fund as match funding for the capital grants elements of the proposed extension of both Ad:Venture (£1 million from Local Growth Fund) and Digital Enterprise (£750,000 from Local Growth Fund) schemes, and provide confirmation of the match-funding to support bids for the two schemes for European Regional Development Funding to be led by Leeds City Council;
 - Authorise Leeds City Council to manage the capital grants elements of both Ad:Venture and Digital Enterprise schemes on behalf of the Combined Authority and for the benefit of the Leeds City Region.
- (i) 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.

9 Background documents

9.1 None as part of this report.

10 Appendices

- Appendix 1 - Background to the Combined Authority's assurance framework
- Appendix 2 - Business case summary - Project Lapwing - EXEMPT
- Appendix 3 - Business case summary - A61S Bus Priority Corridor
- Appendix 4 - Business case Summary - Stourton Park and Ride
- Appendix 5 - Business case summary - Elland Road Park and Ride Phase 3
- Appendix 6 - Business case summary - Institute of High Speed Railways and System Integration – Phase 1
- Appendix 7 - Business case summary - Leeds Enterprise Zone Power Solution
- Appendix 8 - Business case summary - A650 Bradford to Keighley Corridor (Hard Ings)
- Appendix 9 - Business case summary - York Outer Ring Road Phase 2 (Monks Cross)
- Appendix 10 - Business case summary - Clean Bus Technology Fund scheme
- Appendix 11 - Business case summary – West Yorkshire Urban Traffic Management Control project
- Appendix 12 - Business case summary – ULEV Taxi scheme