

Report of Director of City Development

Report to Executive Board

Date: 21 September 2016

Subject: 'West Yorkshire Plus' Transport Fund

Are specific electoral wards affected? If relevant, name(s) of ward(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No City Wide
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-In?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary of main issues

1. The purpose of this report is to seek approval to enter the Grant Agreements with the West Yorkshire Combined Authority (WYCA) needed to continue funding and deliver the agreed major projects identified in the West Yorkshire Plus Transport Fund (WYTF) programme.
2. This report relates specifically to the established WYTF programme. Separate public conversations and engagements are taking place in the city on the future plans for transport which will be reported to Executive Board at a later date, and across West Yorkshire on a new transport plan and bus strategy.
3. Transport is a fundamental part of the Vision for Leeds to be a compassionate, caring city with a transport system that helps all our residents and the city's economic growth. Getting our transport system right is a critical element of achieving the Council's Best City ambition and the established WYTF programme is central part of this.
4. The Council with WYCA and partners are already delivering significant improvements to transport in Leeds to help deliver these ambitions. To support programme delivery a WYCA Programme Office has been established and is overseeing the WYTF which is the key to delivering future major transport improvements in West Yorkshire, the current Leeds elements of which provide background to the report.
5. The WYTF programme schemes complement the recently delivered major schemes in Leeds which include the Elland Road park & ride, delivered in partnership with

WYCA and now being extended to meet demand; the new station at Kirkstall Forge which provides a new park & ride option and unlocks new homes and employment; and the Leeds rail station southern entrance. These rail measures will complement the greater local control through Rail North and the growth and new trains provided by the new Northern and Transpennine franchises.

6. The WYTF is enabling a further set of schemes to be developed and delivered, including a further park & ride at Temple Green in the Aire Valley Enterprise Zone, the East Leeds Orbital Road and a transformation of the way traffic uses our City Centre.

Recommendations

7. Executive Board is requested to:
 - i. Approve in principle the progression of the schemes as referenced in paragraph 2.4, subject to engagement and consultation with local members and other relevant partners and communities during scheme design.
 - ii. Give authority to enter the Grant Agreements with WYCA for the projects in the West Yorkshire Plus Transport Fund. The detail of which, to be agreed by the Chief Officer, Highways & Transportation under his authority from the scheme of delegation.
 - iii. And to note:
 - a. The progress which has been made with schemes within Leeds District is summarised in paragraph 2.4.
 - b. That the Chief Officer Highways & Transportation will be responsible for implementation.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval for the budgetary agreements needed to develop the schemes and to note progress made to date in delivering schemes associated with the West Yorkshire Plus Transport Fund (WYTF) in the Leeds District.

2 Background information

- 2.1 In July 2014, the UK Government announced that West Yorkshire had secured funding totalling £1bn which enabled the WYTF to be established.

- 2.2 The purpose of the WYTF is to;

- Maximise an increase in employment and productivity growth
- A better than average improvement in employment accessibility for residents in the most deprived 25% of West Yorkshire communities
- Every West Yorkshire district to gain an average improvement in employment accessibility no less than half the average across West Yorkshire
- A neutral carbon impact resulting from implemented schemes.

- 2.3 Recent transport improvements in Leeds include:

- The Elland Road park & ride opened in 2014, delivered in partnership with WYCA currently averages over 500 weekday users. The success of the scheme has necessitated an extension to the car park alongside a new passenger waiting facility due to open later this year.
- The new Kirkstall Forge station opened in July 2016 provides a new park & ride option and unlocks new homes and employment.
- Leeds rail station southern entrance now provides a direct and easy connection to the South Bank regeneration area.
- Junction pinch point improvement schemes at Thornbury, Rodley and Horsforth have improved links between Bradford, Leeds and the airport.

- 2.4 Building on this progress, a number of further schemes are under development as part of the Council's comprehensive programme of transport proposals. Leeds districts schemes include:

- 2.4.1 **City Centre Package:** Includes transformation of the road network in the South Bank of the city centre with a focus on public transport access and pedestrian and cycle-friendly infrastructure; Closure of City Square to general traffic to facilitate the creation of a world class gateway to the city; and improvements to Armley Gyratory junction, enhancements to the M621 corridor, new signage, 'active' traffic management on the Inner Ring Road to accommodate the displaced city centre traffic.

- 2.4.2 Airport Surface Access: A package of improvements including the A65-A658 Airport Link Road in the shorter term and a rail link in the longer term. Initial options were consulted upon earlier this year including upgrading the existing highway and a new road linking to the airport. The Combined Authority are also currently investigating the technical and operational feasibility rail access.
- 2.4.3 The East Leeds Orbital Road: The East Leeds Orbital Road scheme is critical to providing strategic highway capacity and accessibility that will support the ELE residential development. The scheme includes a new orbital highway route from the M1 Junction 46 to west of the A58, plus a shorter term package Outer Ring Road junctions upgrades.
- 2.4.4 Thorpe Park station: A new station to the East of Leeds linking Leeds, York and Selby while providing park and ride facilities (circa 500 - 700 spaces) close to major national road networks.
- 2.4.5 Aire Valley Enterprise Zone Package: A phased package of improvements which includes a new Link road and river bridge to connect East Leeds Link Road to Pontefract Road, Temple Green Park and Ride site on East Leeds Link Road with an express bus service between the Enterprise Zone and Leeds City Centre, and improvements to Junction 45 of the M1. The Temple Green Park and Ride Site was approved at Executive Board in July 2015 has passed WYCA's Gateway 3 stage. Work started on site in early September with a scheduled opening in summer 2017.
- 2.4.6 Leeds A6110 Outer Ring Improvements: Highway improvements package for the A6110 from M621 J1 to the A647 Stanningley Bypass. Includes enhanced pedestrian and cycling facilities as well as junction improvements at key intersections along the route. Complements measures planned elsewhere on the Leeds Outer Ring Road and the City Centre Package.
- 2.4.7 CalderVale Line Enhancements: Junction and signalling improvements to reduce journey times as part of Network Rail's line-speed and capacity improvement work to support an increase in train frequency from four to five per hour.
- 2.4.8 Highways Efficiency Bus Package: This scheme will improve highway efficiency along core corridors in West Yorkshire for the benefit of all traffic, including buses and assisting with reductions in journey times, the potential for increased service frequencies and improved reliability.
- 2.5 Further details regarding the above schemes can be located in the attached appendix. The schemes are part of the WYTF programme managed by the West Yorkshire Combined Authority (WYCA). Details of the governance, approval and funding arrangements are detailed in section 3 including the requirement to enter a grant agreement setting out the terms and conditions for transfer of funding for the schemes.
- 2.6 In June 2016, and in light of the Government decision on the NGT Trolleybus proposal and the earmarking of the allocated funds for alternative public transport investment Leeds City Council held a Transport Summit that has started a conversation on the future transport plans for the city. Following the Transport

Summit, the council is also engaging in a “transport conversation” to steer the development of our transport strategy to deliver our Best City ambitions which sits alongside the separate consultation by WYCA on the new transport and bus strategies for West Yorkshire .

- 2.7 The results of this conversation and investment proposition for the earmarked funding to be submitted to DfT will be reported at a future Executive Board meeting.

3 Main issues

Transport Fund Governance & Administration

- 3.1 As the schemes in paragraph 2.4 are brought forward they will be programmed through the governance agreements of the WYTF and will be subject to the WYCA grant agreements which are summarised below for the attention of Members.
- 3.2 Governance arrangements and administration of the WYTF has been developed by WYCA as set out below. The Programme Management Office at WYCA has been established to administer the WYTF at the programme level with individual schemes being promoted by either the districts or WYCA where appropriate.
- 3.3 In terms of governance, the programme is steered by an officer Transport Board consisting of Chief Officers from each district and WYCA. Scheme progress is monitored, and reported to WYCA’s Investment Committee, which presents recommendations to WYCA for approval. A scheme of delegation is being developed to allow some specific less significant and operational decisions to be delegated to Senior Officers at WYCA.
- 3.4 An Assurance Framework has been developed which follows the PRINCE II methodology and mirrors the process previously undertaken for Major Schemes for DfT. There are 3 key stages or Gateways where the business case for the scheme is scrutinised by a review panel and then passed through the approval process outlined above.
- 3.5 The 3 key Gateway Stages are:
- Gateway 1 – Outline Business Case.
 - Gateway 2 – Detailed Business Case with approval sought to procure the scheme and assurance that all powers for land assembly and planning are in place.
 - Gateway 3 – Approval to implement the scheme.
- 3.6 There is also a Gateway 4 process of post scheme review, which monitors the benefits the scheme has delivered and identifies any lessons learnt to be applied to future schemes.
- 3.7 WYCA and district finance officers are also developing a Finance Handbook which sets out the terms and conditions for the Transport Fund. A key part of this

is the necessity for a Grant Agreement to be entered into with the promoters of each of the schemes in the fund.

3.8 The key elements of the Grant Agreement are:

- The grant can only be used for the agreed scope of the scheme.
- The agreement is between WYCA as the funder and Leeds City Council as the scheme promoter.
- The grant will be available in instalments as each gateway is passed.
- The grant will be paid retrospectively on a quarterly basis.
- Land cost, historic development costs, and costs associated with changes to the scope must be agreed with WYCA.
- There are two parts to the funding, the main grant amount to cover the project cost plus a Quantified Risk Allowance (QRA) for those items identified within the project risk register.
- The grant does not cover any maintenance liabilities, operating costs or other whole life costs of the Project following completion.

3.9 Members are asked to note that a grant agreement has been entered into for Temple Green Park & Ride following a delegated decision by the Chief Officer, Highways & Transportation.

4 Corporate considerations

4.1 Consultation and engagement

4.1.1 Full dialogue has taken place between WYCA, Leeds and the partner authorities with regard to the drafting and terms of the proposed WYTF funding agreements.

4.1.2 In terms of the Leeds schemes within the WYTF programme public consultation has occurred during the following periods:

- Temple Green Park and Ride: Summer 2015
- A65 - A658 Airport Link Road: Autumn/Winter 2015/2016
- East Leeds Orbital Route: Winter 2015

4.1.3 Consultation for the principles of the City Centre Package is being incorporated into the Transport Conversation and South Bank Consultation occurring during Summer/Autumn 2016. Once more detailed proposals are developed these will be presented for consultation in Spring 2017.

4.1.4 Consultations for other WYTF schemes will be undertaken prior to the key decision points in the projects.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 The WYTF schemes will reduce social exclusion and will therefore facilitate enhanced opportunities for employment access and skills enrichment.
- 4.2.2 Some schemes have a pan-regional and international focus which opens Leeds to new employment and business markets, which once again, provides opportunities for economic enhancement.
- 4.2.3 Individual schemes and their impacts are assessed through the WYCA business case approval process.
- 4.2.4 An Equality, Diversity, Cohesion and Integration screening form has been completed and is attached as an appendix.

4.3 Council policies and best council plan

- 4.3.1 Schemes within the WYTF assist the Council with meeting its goals as the best city. By assisting community's access jobs and skills, the poverty gap which is experienced in some wards of the City will be reduced. This will in turn promote sustainable and inclusive economic growth not only for Leeds, but for the wider city region.

4.4 Resources and value for money

- 4.4.1 The schemes within the transport fund demonstrate value for money within the individual business cases submitted for the gateway reviews. Both GVA Benefits and traditional transport economic benefits are included in the appraisals.
- 4.4.2 Expenditure will be approved by executive Board at the appropriate stages in the scheme development.
- 4.4.3 The scale of the transport fund programme will necessitate an increase in technical staff and engineering resources to ensure the funded programme can be delivered.

4.5 Legal Implications, access to information and call In

- 4.5.1 Section 1 of the Localism Act 2011 (the General Power of Competence) provides that local authorities can do anything that individuals generally may do, subject to any statutory limitations that apply. In the case of each of the schemes and proposals outlined in this report it is currently believed that the Council will be acting within the General Power of Competence, though the situation will be kept under review as the schemes progress.
- 4.5.2 Officers from City Development, Finance and Legal services have been in discussion with officers from WYCA with a view to settling the terms of a standard form of grant agreement which could then be used as a model for specific schemes. The key terms which have been agreed are summarised in section 3.10. Discussions are continuing with WYCA in relation to the mechanisms for claiming payment of the grant and the repayment of funding in cases where schemes do not proceed.

4.6 Risk management

- 4.6.1 Risks are managed through regular Project Board discussions and good project management practise. Risk management is assured through the WYCA gateway review process.

5 Conclusions

- 5.1 There has been significant progress on a number of important transport schemes for Leeds within the established WYTF programme. The making of the formal funding agreements with WYCA is a key formal step in the future management and operation of the programme.

6 Recommendations

- 6.1 Executive Board is requested to:

- i. Approve in principle the progression of the schemes as referenced in paragraph 2.4, subject to engagement and consultation with local members and other relevant partners and communities during scheme design.
- ii. Give authority to enter the Grant Agreements with WYCA for the projects in the West Yorkshire Plus Transport Fund. The detail of which, to be agreed by the Chief Officer, Highways & Transportation under his authority from the scheme of delegation.
- iii. And to note:
 - a. The progress which has been made with schemes within Leeds District is summarised in paragraph 2.4.
 - b. That the Chief Officer Highways & Transportation will be responsible for implementation.

7 Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

APPENDIX A

WEST YORKSHIRE TRANSPORT FUND – LEEDS SCHEMES POSITION

1. City Centre Package: LCC want to create a world class gateway for the City at City Square and to double the size of the City Centre through the regeneration of the South Bank Leeds which will provide more than 35,000 jobs and over 4,000 homes and for it to become a leading European destination for living, working and leisure. To do this LCC, need to transform the road network in the South with a focus on public transport access and pedestrian and cycle-friendly through a 'city boulevard' approach.
2. The first step towards creating this new environment is a city centre traffic management package that reduces through traffic in and around Leeds City Station (enhancing it as a pedestrian gateway), and improves bus, rail and taxi interchange. The scheme includes measures to close City Square to through traffic. This through traffic will instead use an improved Armley Gyratory junction, enhancements to the M621 corridor, new signage, 'active' traffic management on the Inner Ring Road and additional bus facilities. The M621 elements of the scheme are being developed, and will be funded and delivered by Highways England. LCC officers are working closely with Highways England colleagues to ensure the scheme meets our mutual objectives.
3. The first phase of the conversation about transport, a questionnaire running until 20th September, asks questions about the future of the city centre. The consultation on the Southbank Framework, started on the 15th August, also seeks to understand a more detailed view of what people want for that area. Both will feed into the design for the city centre transport package.
4. Airport Surface Access: The economic competitiveness of core cities such as Leeds is increasingly dependent on the ability of businesses to access international markets Growth of Leeds Bradford Airport will support this by providing a more extensive airline route network that will enhance the ability of Leeds City Region and its businesses to access global markets and attract inward investment and tourism. The airport is currently by over 3m passengers per year and the Department for Transport has forecast that there is the potential to increase this to 7.1m by 2030 and to above 9 million passengers per year by 2050.
5. The transport fund recognises the need to improve access to the Leeds Bradford Airport and to help unlock 36.2 hectares of land employment hub to the North of the Airport identified through the Site Allocations process. To that end, the Fund has a package of improvements including the A65-A658 Airport Link Road in the shorter term and a rail link in the longer term. Initial options were consulted upon earlier this year including upgrading the existing highway and a new road linking to the airport. The business case for Gateway 1 is being prepared following the initial consultation phase. At the same time, the Combined Authority has taken forward work to understand the case of a rail link to the Airport. A fixed link remains an ambition, but in the shorter term a station on the existing line might provide a cheaper and quicker way of serving the Airport that could be progressed

at the same time as the road. The Combined Authority are therefore currently investigating the technical and operational feasibility of that option.

6. The East Leeds Extension (ELE): is a large area of undeveloped land, around 250 hectares which has been identified for the development of around 5,000 homes. A transport strategy for East Leeds brings together the range of transport improvements which are proposed both as part of the East Leeds Extension and more widely across the area to allow better connectivity with Leeds city centre. This includes a proposed extension of the quality bus corridor along the A64 York Road, options to extend local bus services as part of the East Leeds Extension and more extensive pedestrian and cycle connectivity improvements.
7. As part of the West Yorkshire Transport Fund, the East Leeds Orbital Road scheme is critical to providing strategic highway capacity and accessibility that will support the ELE residential development. The package includes a new orbital highway route from the M1 Junction 46 to west of the A58, with strategic cycle routes extensive landscaping and pedestrian links to the open countryside; improvements to the existing A6120 Outer Ring road including works to improve the pedestrian and cycling environment through Seacroft and Crossgates; and an upgrade of the Outer Ring Road A61 and King Lane roundabouts to traffic light controlled junctions. Gateway 1 Approval has been granted with a detailed planning application now being prepared for the main ELOR works.
8. In addition, a new station to the East of Leeds at Thorpe Park could also support the development. The station will provide links into Leeds, York and Selby while providing park and ride facilities (circa 500 - 700 spaces) close to major national road networks. Early consideration had been for a station at Micklefield, but the results of further work suggests that in order to maximise the economic benefits of a new station in this corridor, Thorpe Park is the preferred location. This location has access to the motorway network i.e. close to the M1 motorway and is near to the proposed development site at Thorpe Park which is a mixed use office, commercial (1.5m sq ft of business space, 221,000 sq ft of leisure, hotels, cafes and restaurants) and residential area (up to 300 homes). The proposed site is also near to the southern end of the proposed ELOR and so has the potential to serve the wider catchment unlocked by ELOR. WYCA will work with Network Rail to understand the capacity requirements on the line with the hope that there would not need to be a closure of an existing station. The Combined Authority are currently seeking approval for funds to be made available to carry out the essential feasibility work.
9. Aire Valley Enterprise Zone Package: A phased package of improvements which includes a new Link road and river bridge to connect East Leeds Link Road to Pontefract Road, Temple Green Park and Ride site on East Leeds Link Road with an express bus service between the Enterprise Zone and Leeds City Centre, and improvements to Junction 45 of the M1.
10. The Temple Green Park and Ride Site was approved at Executive Board in July 2015 has passed WYCA's Gateway 3 stage. Work started on site in early September with a scheduled opening in summer 2017.

Feasibility has been undertaken for a new link road and bridge connecting the Enterprise Zone with the area to the south. The next stage is a strategic review of the scheme following discussions with major land owners and reflecting the proposed land uses in the latest version of the Aire Valley Area Action Plan.

11. The third phase for improvements to Junction 45 of the M1 is now being undertaken by Highways England with works expected to start on site in 2017.
12. Leeds A6110 Outer Ring Improvements: Highway improvements package for the A6110 from M621 J1 to the A647 Stanningley Bypass. Includes enhanced pedestrian and cycling facilities as well as junction improvements at key intersections along the route. Complements measures planned elsewhere on the Leeds Outer Ring Road and the City Centre Package.

Feasibility investigations are continuing in partnership with WYCA.

13. CalderVale Line Enhancements: West Yorkshire Transport Fund is looking at contributing funding for junction and signalling improvements to reduce journey times as part of Network Rail's line-speed and capacity improvement work, which will support the development of a business case for the route's electrification and an increase in train frequency from four to five per hour.

Milner Royd GRIP3 completed in June 2015. Gateway 1 submission unlikely to be works not deliverable until Network Rail Control Period 6 (2019-2024)

14. Leeds – Dewsbury A653 Corridor: Corridor improvement incorporating bus reliability, capacity enhancements, Park and Ride facilities and highway capacity improvements at key junctions. Includes developing express bus services between Leeds City Centre and Dewsbury (with stops at key locations such as business parks, park and ride sites, and shopping centres), creation of bus priority schemes, and highway improvements.

This is being led by Kirklees MBC with input from LCC. The scheme is aspiring towards GW1 but currently subject to a shortage of available resources.

15. Highways Efficiency Bus Package: This scheme will improve highway efficiency along core corridors in West Yorkshire for the benefit of all traffic, including buses and assisting with reductions in journey times, the potential for increased service frequencies and improved reliability. This scheme currently paused as WYCA review the strategic context of this project. However, due regard is being taken in the consideration and development of the investment proposition for the funds earmarked for the city by DfT following the NGT decision in order that the opportunities and benefits offered by the two funding streams can be maximised.