

Call-Off Contract Update – To support further development of the Transforming Cities Fund (TCF) A639 Corridor Improvement Scheme to Outline Business Case (OBC).

Date: 25th January 2023

Report of: Transport Strategy Team Leader

Report to: Chief Officer (Highways & Transportation)

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

This report seeks approval for Leeds City Council (LCC) to enter into a Call-Off contract with WSP consultancy services to support further project development of the A639 Corridor improvement scheme to Outline Business Case (OBC).

The Call-Off contract has been procured through the Combined Authority SDP3 procurement framework and supports the development of the total A639 cross-boundary scheme project co-managed with Wakefield Council Highways and Transportation Team.

A change request has been approved by the West Yorkshire Combined Authority Project Appraisal Team (PAT) to authorise the drawdown of additional monies from the existing TCF grant funding pot to cover all outstanding project development activities required to complete for OBC. This includes but is not limited to, costs incurred for consultancy support for the Project's business case, internal staff costs and other project support as required.

WSP will agree monthly activity development costs with the scheme project team before raising a joint invoice to LCC. This invoice will be processed by LCC and submitted to Wakefield Metropolitan District Council (WMDC) who will then in turn claim the monies back from WYCA via the agreed quarterly PIMs process and transfer the monies to cover all LCC internal and WSP consultancy costs.

Recommendations

- a) Confirm acceptance of additional development funding of £450,000 from the Transforming Cities Fund to support project development of the A639 corridor scheme to OBC completion.
- b) Approval for Leeds City Council (LCC), to appoint WSP professional consultancy services via West Yorkshire Combined Authority (WYCA) Strategic Delivery Partner (SDP3) procurement framework on a direct award to support project development to Outline Business Case (OBC) in partnership with WMDC.

What is this report about?

- 1 Leeds City Council (LCC) and Wakefield Metropolitan District Council (WMDC) have jointly agreed to appoint WSP professional consultancy services by Direct Award via the West Yorkshire Combined Authority (WYCA) Strategic Delivery Partner (SDP3) procurement framework.
- 2 WSP will assist both authorities to further develop all current scheme interventions for the A639 corridor improvement scheme which were included in the public consultation and complete/submit the Outline Business Case (OBC) report to the Combined Authority for approval.
- 3 Total Cost of further development work detailed in the Call-Off contract for the A639 Corridor Improvement is £222,246.84. Due to the value of the contract, the decision to enter into the agreement is a Significant Operational Decision.
- 4 WYCA have completed a Deed of Variation (DoV) to amend the current funding agreement with WMDC to increase the approved development funding by £450,000 for the A639 scheme.
- 5 The £450k of additional grant funding has been released by WYCA from the existing TCF funding pot to cover this and support internal project costs for both Wakefield and Leeds District Authorities.
- 6 The Grant funding shall be used for:
 - a) Outstanding project development activities required to complete the OBC. This includes but is not limited to, costs incurred for consultancy support for the Project's business case and other Project support as required.
 - b) Leeds City Council and Wakefield Council staff costs associated with the delivery and project management of the project and business case.

Future invoicing via SDP3 will take the following format:

- 7 WSP will agree monthly activity development costs with the scheme project team before raising a joint invoice to LCC. This invoice will be processed by LCC and submitted to WMDC who will then in turn claim the monies back from WYCA via the agreed quarterly PIMs process.
- 8 Wakefield Council will transfer monies claimed by LCC to cover all internal and WSP consultancy cost.

What impact will this proposal have?

- 9 LCC have procured consultancy services from WSP via a direct award through the WYCA SDP3 procurement framework to support the further development of OBC for joint A639 Corridor Improvement Scheme with Wakefield Council.
- 10 Note the contract is between LCC and WSP and will cover the development of proposed highways improvements in both Leeds and Wakefield districts (cross-boundary scheme).
- 11 The arrangement will allow LCC to take the project lead and manage the A639 scheme through to OBC submission by December 2023 as per the existing scheme programme.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

12 The proposals requested in this report have no direct impact on any of the three pillars of the Best City Ambition as it is purely an administrative function

13 It is therefore not applicable to carry out an equality, diversity, cohesion and integration screening (EDCI) as part of this report.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted?

Yes

No

14 Executive Member for Infrastructure & Climate and each relevant Ward Members have been updated of this change.

15 More detail briefings to be arranged to provide a wider update on overall scheme highway designs, programme and financial position to OBC submission in February 2023.

What are the resource implications?

16 No resource implications with this decision.

What are the key risks and how are they being managed?

17 Potential for the approved additional development funding of £450,000 is exceeded by one or more parties involved. Significant amount of tolerance has been included within the spend forecast to mitigate. Financial position will be reviewed monthly.

18 Current financial agreement is between WYCA and Wakefield with the present invoicing approach outline lined in paragraph 6-8 of this report. Any delays using this approach could put one or more parties at risk of payment delay.

19 LCC, Wakefield and WYCA have agreed the current process of payment is sufficient robust to maintain cost certainty to OBC submission. This approach will be reviewed monthly with any payment issues advised by Project Board.

What are the legal implications?

20 No legal implications to LCC in this report.

Options, timescales and measuring success

What other options were considered?

21 Not applicable

How will success be measured?

22 Not applicable

What is the timetable and who will be responsible for implementation?

23 WSP to produce a detailed scheme development programme through to Outline Business Case and present at Project Board for approval.

Appendices

None.

Background papers

No additional papers.