



Report of the Director of City Development

To Executive Board

Date: 1 April 2009

Subject: **A65 QUALITY BUS INITIATIVE – LAND ACQUISITION (EXPENDITURE)**
Capital Scheme Number 13184 /000 /000

Electoral Wards Affected:
HYDE PARK AND WOODHOUSE
KIRKSTALL
CITY AND HUNSLET

Specific Implications For:

Equality and Diversity	<input type="checkbox"/>
Community Cohesion	<input type="checkbox"/>
Narrowing the Gap	<input type="checkbox"/>

Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

Executive Summary

On the 6 July 2006 the Secretary of State for Transport announced that the A65 Quality Bus Initiative had been granted “programme entry” to the LTP major schemes programme as part of the first round of Regional Funding Allocation approvals at a total cost of £21,580,000. Programme entry is the first stage in a three phase approval process. The second stage is “conditional approval” when all statutory processes are complete with the final “full approval” being granted when scheme costs are finalised and the scheme has remained on programme and within budget.

The proposed scheme will provide the following:

- i) 4 kilometres of new bus lane;
- ii) improvements and bus priority measures at two major junctions and bus priority pre-signals at the exit points from the new bus lanes;
- iii) new pedestrian and cycle facilities including cycle lanes; and
- iv) improvements to bus passenger and information facilities along the route.

Benefits from the scheme include:

- i) bus passenger journey time improvements of 4-6 minutes in the peak

periods and up to 3 minutes in the off-peak periods;

- ii) a projected increase of 9% in bus patronage; and
- iii) improvements in the safety and movement of pedestrians, cyclists and traffic.

On 20 September 2006 the Executive Board approved the scheme development costs of £834,000, funded by the Local Transport Plan Integrated Transport scheme to cover detailed design fees, procurement planning, and the preparation and consultation costs necessary to secure the statutory approvals for the scheme.

As part of the procurement planning process, and to accommodate the scheme proposals, land that is not in the City Council's ownership was identified.

On 4 April 2007, the Executive Board gave approval to the acquisition of this third party land and also authorised the Director of Legal and Democratic Services to make a Compulsory Purchase Order under the relevant powers contained in The Highways Act 1980 and any other enabling powers and to submit the Order to the Secretary of State for confirmation. This was in order to protect the Council's position should negotiations become protracted or abortive.

1.0 Purpose of this Report

- 1.1 This report seeks Executive Board approval to incur expenditure of up to £2,500,000 for the previously approved acquisition of land not in the City Council's ownership.

2.0 Background Information

- 2.1 The A65 Quality Bus Initiative scheme is part of a comprehensive project to establish the A65 route as a Quality Bus Corridor serving the North West of the Leeds District.
- 2.2 The Quality Bus Corridor is divided into three sections, covering the A65 corridor from Leeds city centre to Aireborough as follows:
 - i) A65 QBI – Inner Ring Road to Kirkstall Lane (the subject of this report);
 - ii) Abbey Road bus priority scheme – Kirkstall Lane to A6120 Horsforth Roundabout. Scheme and funding of £1,500,000 previously approved by Executive Board and was completed on site in March 2007; and
 - iii) A65 Rawdon Road scheme – A6120 Horsforth Roundabout to Guiseley. Proposals deferred subject to finalisation of the strategy for the A6120 and options for highway links to the airport. Further detailed evaluation of the options for providing improved bus priority to be evaluated.
- 2.3 A scheme for the A65 QBI was submitted to the Government as part of the Local Transport Plan 2001-06 submission and was Provisionally Approved in December 2001. Subsequent discussions with the Department for Transport (DfT) led to the submission of a revised scheme proposal which was developed to take on board the emerging redevelopment proposals for the Kirkstall Road corridor and further minimise the need for future land acquisition.
- 2.4 This revised scheme was remitted for regional advice on transport priorities by the DfT in December 2004 and subsequently was identified as a priority in the Regional Transport Board's submission to the Secretary of State in January 2005.

- 2.5 The proposed scheme is illustrated on the attached plan (HDC/713184/GA/00), the main elements of which are as follows:
- i) a total of 4 km of new bus lanes covering inbound and outbound journeys;
 - ii) bus priority signal arrangements at two major junctions;
 - iii) provision of additional pedestrian and cycle crossing facilities and cycle lanes;
 - iv) pre-signal arrangements to give buses priority at the exits from the bus lanes; and
 - v) improvements to bus passenger facilities including new shelters and information displays (in real time at the busiest stops).
- 2.6 Scheme benefits predicted for bus and other users are as follows:
- i) reductions in bus journey times in the order of 6 minutes in the morning peak; 4 minutes in the evening peak and 3 minutes in the off-peak periods;
 - ii) a forecast increase of 9% in bus patronage; and
 - iii) improvements in the safety and movement of pedestrians, cyclists and traffic.
- 2.7 The recommendations of this report are not subject to call-in as authorization of expenditure on land is a necessary consequence of the decision taken by Executive Board on 4 April 2007 to acquire the land for this scheme.

3.0 Main Issues

- 3.1 On 6 July 2006 the Secretary of State announced the details of the first round of schemes approved under the Regional Funding Allocation process and confirmed the granting of "Programme Entry" status for the A65 QBI scheme.
- 3.2 Programme Entry signifies the first step in the three stage process of Government approval for Local Transport Plan major scheme and indicates the DfT's present intention to provide funding towards the cost of a scheme subject to the satisfactory development of the scheme, completion of statutory processes and confirmation of final costs. At this stage it is not however a firm commitment to provide the funding.
- 3.3 Subsequent stages of the Government approval process are as follows:
- i) Conditional Approval – this will be granted once the scheme development process is complete and all statutory approvals have been granted, including securing any necessary planning consents, and confirmation of the estimated scheme cost.
 - ii) Full Approval – is granted on completion of the scheme procurement process and submission of the preferred bidder and final tender offer details to the DfT.
- 3.4 On 20 September 2006 the Executive Board approved the scheme development costs of £834,000, from the Local Transport Plan Integrated Transport scheme, to cover detailed design fees, procurement planning, and the preparation and consultation costs necessary to secure the statutory approvals for the scheme.

- 3.5 The overall scheme approval has been based on the financial position submitted to the DfT in the autumn of 2005 and is based on an out-turn position assuming a start of the project development in the spring of 2006 with key milestones to be achieved. The current programme for delivery of the scheme assumes a start of construction works early in 2010. At present the works are expected to take 2 years to complete, but this will be subject to more detailed review as the project is progressed and the detailed design is finalised.
- 3.6 One area of risk which could have a significant impact on the scheme programme and deliverability relates to the successful acquisition of land which is not in the ownership of Leeds City Council. In order to manage this risk, it was important that land acquisition was addressed early in the scheme programme. Executive Board approval was granted, on 4 April 2007, to acquire the necessary land and also to prepare, and if necessary, make a Compulsory Purchase Order.
- 3.7 Following protracted negotiations, a Compulsory Purchase Order was made on 4 April 2008. This led to a number of irresolvable objections being received which resulted in a Public Inquiry being held on 14 October 2008. One of the objectors presented a strong case at the inquiry which the Council defended. The decision from the Secretary of State (SoS) for Transport is currently awaited and there is no certainty on what the decision will be.
- 3.8 Extensive negotiation has continued with regard to these lands and agreement is close to being reached albeit on a slightly reduced parcel of land. This would still allow the full scheme to be implemented with little or no reduction in scheme benefits. Reaching agreement would also remove any risk of the SoS deciding in the objector's favour.
- 3.9 As outlined in paragraph 3.3 above, the next milestone in the approval process is Conditional Approval. This is currently programmed for June 2009. This will involve the submission of an updated business case for the scheme. Conditional Approval is also subject to all the necessary statutory procedures being in place which includes land acquisition.
- 3.10 As Government funding is not provided until the final approval stage, in order to secure third party land, it will be necessary to initially fund the land acquisition from the Local Transport Plan Integrated Transport scheme and recharge this to the scheme costs once full approval is granted. As negotiations are nearing completion, an accurate figure for land acquisition cannot be determined so approval is being sought for land costs up to a maximum of £2,500,000.
- 3.11 An allowance of £3,030,000 is included within the original £21,580,000 budget for land acquisition and the current forecast remains within this figure.
- 3.12 The processes for managing the project are set out in the following sections.

4.0 Implications for Council Policy and Governance

- 4.1 The A65 QBI scheme proposal is an integral part of the Local Transport Plan programme which contributes to the delivery of the Council's corporate objectives for transport and those of the Vision for Leeds. The scheme, as the main component of the larger package of measures for the A65 Quality Bus Corridor, will make a major contribution to improving the attractiveness and quality of bus travel and will significantly increase bus patronage and public transport mode share.

- 4.2 Progress will be reported to the Executive Board at the key stages in the delivery process. Oversight of the scheme will be provided by a Project Board chaired by the Director of City Development and including Government Office, Metro and public transport operator representatives.
- 4.3 Consultation is ongoing with this major project, and a communication task group has been established. In line with the communication plan, ward members are receiving regular briefings with the last being in September 2008. Two information leaflets, informing of progress, have been distributed to in excess of 8000 households in the vicinity of the scheme, and a Leeds City Council web page is kept up to date with regular updates.

5.0 Legal and Resource Implications

- 5.1 Following the Executive Board approval of scheme development costs (£834,000) on 20 September 2006, detailed development of the scheme and a full evaluation of the necessary statutory requirements are well advanced. Detailed design is progressing, with the assistance of an ECI (Early Contractor Involvement) Contractor and development of the Conditional Approval is in progress.
- 5.2 Cost, along with the completion of the necessary statutory processes, represents a key area of risk for this project. The proposals for project management and governance have been set out in Section 4 of the report and robust risk management processes will be incorporated into these arrangements. The approved scheme costs have been calculated using a year on year increase to take into account inflation to give the approved figure of £21,580,000. This scheme cost will be further examined as part of the Conditional Approval process utilizing the ECI Contractor's knowledge and expertise to determine a robust total budget figure. Failure to acquire the land needed to deliver the scheme proposals will have a significant impact on programme and in doing so will have an inflationary effect on the final cost.

Scheme Design Estimate

Capital Funding and Cash Flow

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2008 £000's	FORECAST					
			2008/09 £000's	2009/10 £000's	2010/11 £000's	2011/12 £000's	2012 on £000's	
LAND (1)	0.0							
CONSTRUCTION (3)	0.0							
FURN & EQPT (5)	0.0							
DESIGN FEES (6)	834.0	362.4	371.6	100.0				
OTHER COSTS (7)	0.0							
TOTALS	834.0	362.4	371.6	100.0	0.0	0.0	0.0	0.0

Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2008 £000's	FORECAST					
			2008/09 £000's	2009/10 £000's	2010/11 £000's	2011/12 £000's	2012 on £000's	
LAND (1)	2500.0			2500.0				
CONSTRUCTION (3)	0.0							
FURN & EQPT (5)	0.0							
DESIGN FEES (6)	0.0							
OTHER COSTS (7)	0.0							
TOTALS	2500.0	0.0	0.0	2500.0	0.0	0.0	0.0	0.0

Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2008 £000's	FORECAST				
			2008/09 £000's	2009/10 £000's	2010/11 £000's	2011/12 £000's	2012 on £000's
Borrowing SCE®	362.4	362.4					
Transport Supplementary Grant	2971.6		371.6	2600.0			
Total Funding	3334.0	362.4	371.6	2600.0	0.0	0.0	0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Parent Scheme Number : 99609
Title : Integrated Transport Scheme

The estimated land costs of £2.5m can be met from the Integrated Transport scheme 99609 within the approved capital Programme and is eligible for 100% Government funding.

6.0 HUMAN RIGHTS

- 6.1 Regard must be had to the Human Rights Act 1998 including Article 8 (respect for private and family life and home) and Article 1 of the First Protocol (right to peaceful enjoyment of possessions). No one should be deprived of their possessions except in the public interest and subject to national laws. A decision must strike a fair balance between the public interest in the improvements to the highway network through the implementation of the A65 Quality Bus Initiative Scheme and the interference with private rights which will arise in the event of any necessary Compulsory Purchase Order being made and confirmed. Compensation would be payable to those persons whose rights are interfered with and the provisions of the Act and the compulsory purchase procedures are considered to be compatible with the Human Rights Act.
- 6.2 The scheme proposals have already undergone a comprehensive re-appraisal which has minimised the requirement for third party land. The proposals are also consistent with the Vision for Leeds 2004 to 2020 to improve public transport and support all of the primary objectives set out in the Local Transport Plan.

7.0 Conclusions

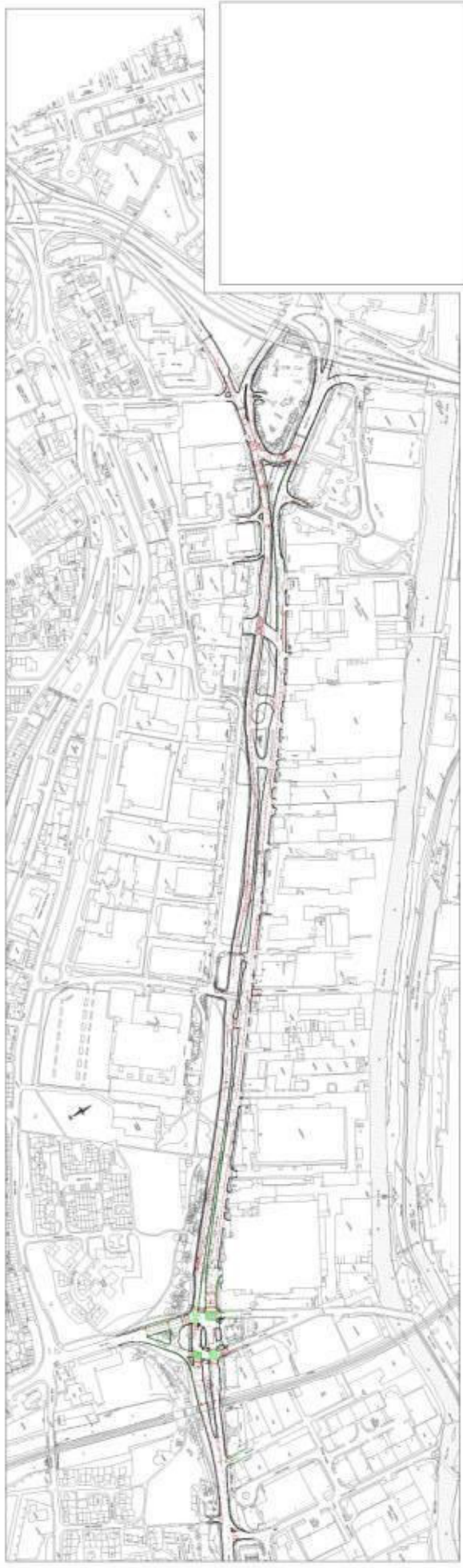
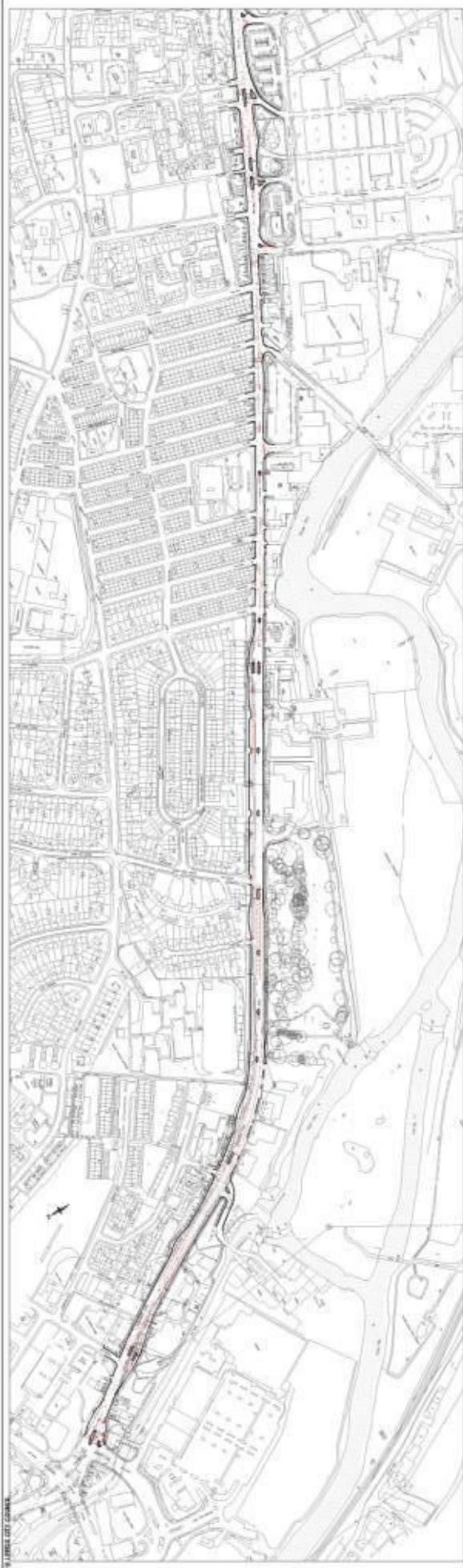
- 7.1 The A65 QBI is the major component of the package of measures required to deliver a comprehensive Quality Bus Corridor for the A65. Approval to the “programme entry” stage by DfT marked the first formal step in the process of delivering this scheme.
- 7.2 Following Executive Board approval to the scheme development costs on 20 September 2006, and subsequent approval to acquire land on 4 April 2007, there is now a need to finalise the land acquisition process by authorization of funding through the Local Transport Integrated Transport scheme. The scheme proposals have gone through a comprehensive re-appraisal process with the current proposals requiring a reduced amount of third party land. (see attached plans HDC/713184/misc/08/06 and 05)
- 7.3 The acquisition of land will complete the necessary statutory requirements that are needed to enable the submission of the Condition Approval which is possibly the most significant step in the overall approval process.
- 7.4 Once Full Approval is granted for the scheme proposals, the land purchase expenditure will be fully recharged to the A65 QBI scheme.

8.0 RECOMMENDATIONS

- 8.1 Members of the Executive Board are requested to approve the expenditure of up to £2,500,000 from the Local Transport Integrated Transport scheme, for the acquisition of third party lands necessary for the implementation of the A65 QBI.

9.0 BACKGROUND PAPERS

- Executive Board Report 20 September 2006
- Executive Board Report 4 April 2007



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 LEEDS CITY COUNCIL
 LEEDS LS2 9JF

**A65 KIRKSTALL ROAD
 QUALITY BUS INITIATIVE
 SCHEME GENERAL ARRANGEMENT**

DRAFT

APPROVED BY [Signature]	DATE 15/03/2009
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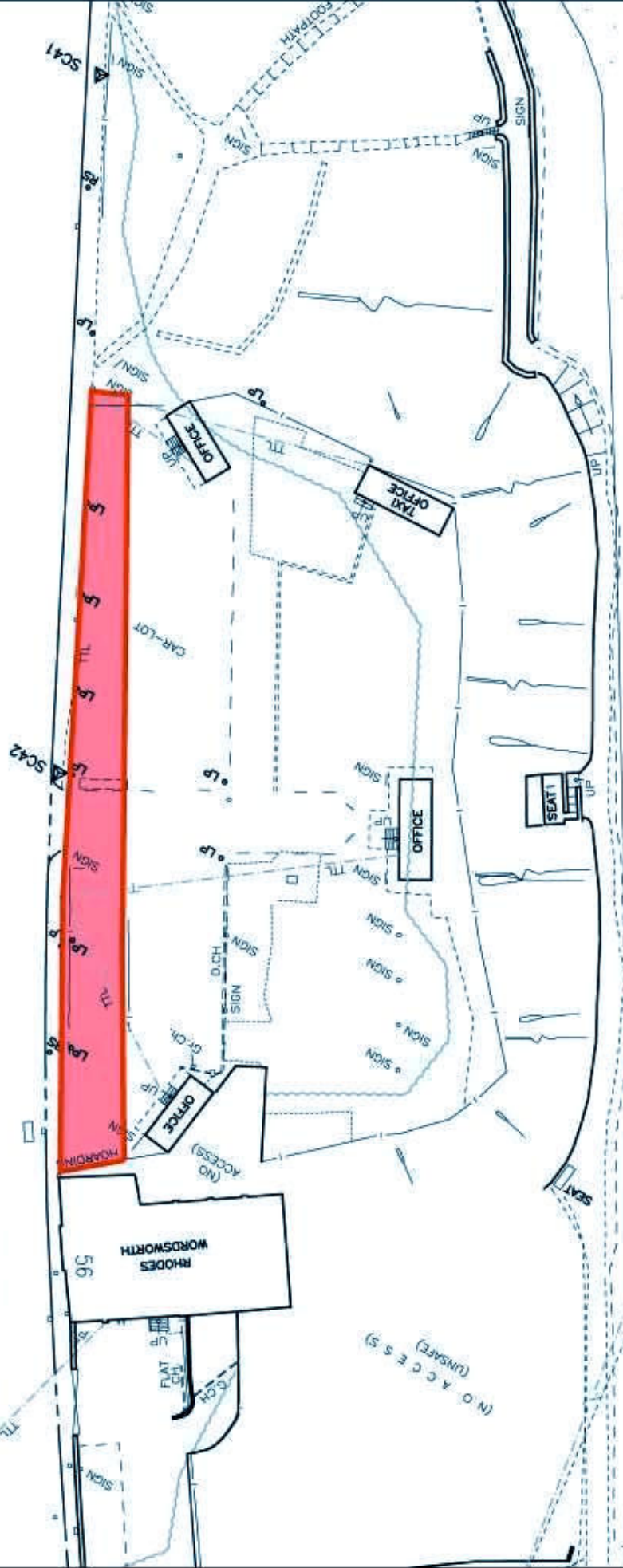
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COMMERCIAL ROAD



**A65 KIRKSTALL ROAD QBI
REQUIRED CPO LAND AREA
MR. FEARNLEY**

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