

Report of the Director Of City Development

Report to Executive Board

Date: 7 September 2011

Subject: Approval to the Submission of a Best and Final Bid for Funding of the A58M Inner Ring Road Highway Structures Essential Maintenance Scheme

Capital Scheme Number: 16278 / 16329

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s): There are implications city wide, but with direct impacts on Hyde Park and Woodhouse; and Burmantofts and Richmond Hill		
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" 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. This report provides an update on the current position relating to the proposals for essential maintenance work to three key highway structures on the A58M/A64M Leeds Inner Ring Road.
2. It provides details of the next stage of the project, the submission of a 'Best and Final Bid' (BAFB) to the Secretary of State for Transport, and seeks approval for this application to be made by 9 September 2011.

Recommendations

The Executive Board is recommended to:

3. Approve the submission of the A58M Inner Ring Road Highways Structures Essential Maintenance (IRR) Scheme Best and Final Bid to the Department for Transport (DfT) by 9 September 2011.
4. Agree to the local contribution to the scheme of £3million and approve the injection of this funding into the IRR scheme within the approved capital programme.

1 Purpose of this report

- 1.1 To seek approval for the submission of the BAFB for the A58M Leeds Inner Ring Road Highways Structures Essential Maintenance Scheme to DfT by 9 September 2011.
- 1.2 To seek agreement about the level of local contribution to ensure that the scheme has the best possible chance of securing government funding.

2.0 Background Information

- 2.1 Stages 1 to 3 of the Leeds Inner Ring Road (IRR) form the A58M/A64M. They were constructed between 1964 and 1974. The highway structures on this strategic route have been deteriorating over the last ten years despite significant investment and are continuing to deteriorate. The current highway structures budgets are insufficient to carry out the more extensive maintenance works now needed and to ensure the integrity of these structures.
- 2.2 The problems are most evident at Woodhouse Tunnel, Lovell Park Road Bridge and New York Road Viaduct Eastbound. Safety inspections of Woodhouse Tunnel and Lovell Park Road Bridge are being carried out every three months. Six monthly inspections are being carried out at New York Road Viaduct Eastbound. However, key structural elements have deteriorated to such an extent on these three structures that essential and substantial maintenance work is now required during the next five years. If this critical work is not carried out sections of the IRR will need to be closed .
- 2.3 The IRR is a key strategic route through Leeds and carries up to 80,000 vehicles per weekday. It is important to the economy of Leeds and the wider Leeds City Region. It is therefore vital that the route is maintained to minimise restrictions to traffic.
- 2.4 Extensive testing and inspection work has been carried out to the 23 structures on the 3.5km length of the IRR to identify the maintenance work required. This work has been prioritised into Priority 1 and Priority 2 works. Priority 1 works are the most safety critical or essential with a consequent residual risk if they are not carried out. The key risks are: risk to safety and restrictions on or closure of the IRR. Priority 2 works are considered to be high priority but the residual risks are potentially not as severe. They consist of the imposition of weight or width restrictions on other roads, or the ongoing risk management of sub standard elements, such as structure supports, for vehicle impact loading.
- 2.5 Priority 1 maintenance works are currently being carried out to the roof of Woodhouse Tunnel at a cost of £1.2million, with funding from the Local Transport Plan (LTP). These works only address the most severe areas of concrete deterioration – approximately 10% of the total roof area – and further work is required. The extent of this work far exceeds the funding available currently through the LTP.

- 2.6 Total funding of £2million was secured from the LTP for the phase 1 tunnel works. The balance of £800,000 will be put forward as a local contribution in 2012/13. This was agreed by the LTP Committee on 13 July 2011.
- 2.7 The concerns about the condition of the highway structures on the IRR were raised with the former Regional Transport Board in 2008. There was a recognition of the need to address this problem by identifying the scheme as a potential new major scheme and this was raised with the DfT. In summer 2010 the Government reviewed all major local transport schemes and the IRR was included in the DfT's 'Pre-Qualification' pool of unsupported potential major schemes. An Expression of Interest was submitted by Leeds City Council to DfT in January 2011 and the scheme was successful in being subsequently progressed into the 'Development' pool for more detailed consideration.
- 2.8 A BAFB and supporting information must be submitted to DfT by 9 September if the proposed scheme is to be considered for government funding. The BAFB process is a competitive process and scheme promoters are being requested to review the scope and costs of their schemes to demonstrate value for money. Other key factors that will be taken into consideration by DfT are the amount of local contribution, the amount of any Third Party contributions and the overall level of support/objection for the scheme from stakeholders.
- 2.9 DfT have advised that decision on funding for schemes will be made by the end of 2011.

3.0 Main issues

- 3.1 The proposed scheme consists of the following works: further structural repair work to the roof and walls of Woodhouse tunnel and the construction of strengthening works; replacement of edge beams to the bridge deck of Lovell Park Road bridge; and strengthening of foundations to structural supports plus essential maintenance to New York Road Viaduct Eastbound.
- 3.2 Lovell Park Road bridge is adjacent to the Leeds Arena site. The proposed works at the bridge will enable the road over it to be opened to two way traffic before the Arena opens. There is currently a one way system in operation.
- 3.3 As part of the BAFB process the scope of the works set out in the Expression of Interest to DfT has been reviewed and options have been value engineered. Detailed risk assessments have been carried out to determine the acceptable level of risk and inform the final proposals.
- 3.4 It should be noted that the works form part of a strategy for the highway structures on the IRR and will enable the three structures to be managed with minimal further maintenance over the next 15 years.
- 3.5 Whilst the proposed scheme will address the most critical current problems it will not obviate the need for an ongoing maintenance programme for other parts of the route. Further work is being carried out to determine the longer term future of the IRR and develop a city centre transport and traffic strategy. This will be

informed by the views and aspirations of local and regional stakeholders and will inform future funding priority bids.

- 3.6 Scheme promoters are required to provide a local funding contribution. Historically a minimum 10% contribution has been required. DfT have advised promoters that as the BAFB process is a competition they need to maximise local contributions and any Third Party funding, whilst looking to reduce the overall scope and cost of schemes. No Third Party contributions have been confirmed for this scheme. It is therefore advantageous to provide as large a local contribution as possible to give the scheme the best possible chance of securing government funding.
- 3.7 Woodhouse Tunnel was built to facilitate development of the university and hospital precinct. The Council has been made aware of a lease and assignment whereby the university and Secretary of State for Social Services (now the Secretary of State for Health) are liable for the costs of any structural repairs to the tunnel. It is clear that lengthy discussions will be required to agree the funding for the proposed works to the tunnel and that the matter will not be resolved before the BAFB is submitted to DfT. Owing to the critical nature of the works they need to be carried out within this comprehensive spending review period. DfT have been made aware of the lease and assignment and have advised that the bid should be submitted.
- 3.8 Discussions have taken place with the Corporate Finance section and a potential funding of £3million has been identified in the Council's capital budget. Funding of £800,000 from the LTP allocation for strategic schemes plus funding of a further £1.2million from the LTP Highways Maintenance Block is already available as a local contribution. A total local contribution of £6.45 million (with £5million for 2012/13 to 2015/16) would be approximately 25% of the total scheme cost bringing it more into line with the likely local contribution being offered with other competing schemes throughout the country.
- 3.9 It has been assumed in the scheme spend profile that the local contribution would be spread over the three year period 2012/13 to 2014/15. This may change as the scheme is developed further.
- 3.10 The contribution from the LTP Highways Maintenance Block represents approximately 12% of the anticipated government funding for the ongoing inspection, assessment and maintenance of the total highway structures stock over the next 4 years. The Council's highway structures stock consists of 672 structures (bridges, tunnels, footbridges, culverts and pedestrian underpasses) and approximately 2000 retaining walls.
- 3.11 Scheme promoters are also required to demonstrate the engagement and support of key stakeholders. The scheme has been identified as a strategic investment priority for the City Region transport strategy and its Transport Panel have been invited formally to endorse the preparation and submission of the BAFB. The Local Enterprise Partnership will also be asked to support the scheme.

- 3.12 Support and ownership by elected members is also critical to the success of the BAFB and this will be demonstrated by endorsement of this report by the Executive Board.
- 3.13 The current indicative spend profile for the proposed scheme is given in the table below. It should be noted that all development costs to date associated with the Expression of Interest and BAFB have been funded from the Bridges element of the LTP Highways Maintenance Block allocation.

Costs are in £k	Pre 2011/12	2011/12	2012/13	2013/14	2014/15	2015 / 16	2016/17	Post 2016 / 17	Total	% Total
LA contribution (LTP and Bridges block allocation funding)	0	1,450 (1)	1,100 (2)	450	350	100*	0	0	3,450	14
LA contribution (Council's Capital budget)	0	0	1,000	1,000	1,000		0	0	3,000	12
Third Party contribution	0	0	0	0	0	0	0	0	0	0
DfT funding requested			2,872	8,555	7,083	0	0	0	18,510	74
TOTAL	0	1,450	4,972	10,005	8,433	100	0	0	24,960	100

Notes: * scheme retention

- (1) Comprises £1.2million works cost from the LTP strategic programme of schemes and £250,000 from the Bridges maintenance block allocation.
- (2) Comprises £800,000 from the LTP strategic programme of schemes and £300,000 from the Bridges maintenance block allocation.

3.14 Council approval to the BAFB

- 3.14.1 The Director of Resources will be required to confirm in the BAFB submission that the scheme estimates are accurate and that the Council has the means to deliver the scheme on the basis of the proposed local funding contribution set out in this report and that no additional funding will be sought from DfT.

3.15 Programme

- 3.15.1 Design and contract document preparation is ongoing for the works at New York Road Viaduct Eastbound and Lovell Park Road bridge and these are programmed to be completed by 31 March 2012. If the BAFB is successful the works to these two structures will be put out to tender and constructed in 2012/13.
- 3.15.2 The construction works to Woodhouse Tunnel will be phased over two years. Design of both phases will be carried out in 2012/13 with construction in 2013/14 and 2014/15.

4.0 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 As part of the development and implementation of the Phase 1 works to Woodhouse Tunnel a comprehensive and extensive communications strategy has been developed. Owing to the critical nature of the works consultation was necessarily limited to ensuring that as many people as possible were aware of the works and why they were being carried out rather than seeking views on the proposed work. This has included communication with local businesses, members, residents, emergency services, sports and other venues and the Highways Agency. There has also been extensive coverage in the local newspapers and on local radio and television stations.
- 4.1.2 Consultation will take place on how best to carry out the works in terms of traffic management to determine if there is a preference for weekend working, as for the Phase 1 works, or weekday working. This will include close consultation with SMG, the operators of the Leeds Arena, to ensure their programme is not adversely impacted.
- 4.1.3 All members have been informed about the phase 1 tunnel works.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 There are no key issues. An Equality Impact Assessment screening has been carried out for the existing situation at Lovell Park Road Bridge consisting of a single lane of traffic over the bridge. If the bid is successful the bridge could be opened up to two way traffic on completion of the proposed works.
- 4.2.2 The proposed works at Woodhouse Tunnel and New York Road Viaduct Eastbound will not make any changes to the existing road layout, with the exception of narrowing the emergency hard verges through the tunnel to 1m wide. This is the minimum acceptable width in accordance with the current design standard for tunnels.

4.3 Council Policies and City Priorities

- 4.3.1 The IRR is a strategic route and supports economic growth and transport connectivity in Leeds and the wider Leeds City Region. It is central to the Council's transport strategy and existing and proposed transport interventions, such as public transport enhancement and improvement.
- 4.3.2 It is vital that the existing highway asset is managed effectively and maintained to an adequate standard if it is to support additional transport initiatives that aim to support the objectives of national, regional and local policies in terms of reducing congestion, supporting economic growth and promoting integration, accessibility and viable transport alternatives. Transport initiatives, such as the A65 Quality Bus Corridor and New Generation Transport in Leeds, implicitly assume that the existing infrastructure is in a good condition requiring minimal maintenance work and this is fed into the traffic modelling to demonstrate cost benefits. These

benefits cannot be achieved if the existing infrastructure cannot realise the initial scheme assumptions.

4.4 Resources and Value for Money

4.4.1 Extensive traffic modelling has been carried out in discussion with DfT to support the BAFB submission to demonstrate that the proposed scheme presents value for money. The scheme has a benefit to cost ratio of 16, which is likely to compare very favourably with other proposed transport schemes.

4.4.2 Capital Funding and Cash Flow.

TOTALS	2250.0	0.0	1450.0	800.0	0.0	0.0	0.0
Authority to Spend required for this Approval	TOTAL	TO MARCH 2011	FORECAST				
	£000's	£000's	2011/12	2012/13	2013/14	2014/15	2015 on
			£000's	£000's	£000's	£000's	£000's
LAND (1)	0.0						
CONSTRUCTION (3)	0.0						
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	0.0						
TOTALS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total overall Funding (As per latest Capital Programme)	TOTAL	TO MARCH 2011	FORECAST				
	£000's	£000's	2011/12	2012/13	2013/14	2014/15	2015 on
			£000's	£000's	£000's	£000's	£000's
LCC Unsupported Borrowing	3000.0			1000.0	1000.0	1000.0	
Government Grant	23000.0		1450.0	3450.0	8950.0	9050.0	100.0
Total Funding	26000.0	0.0	1450.0	4450.0	9950.0	10050.0	100.0
Balance / Shortfall =	23750.0	0.0	0.0	3650.0	9950.0	10050.0	100.0

Parent Scheme Number : 16278 / 16329
 Title : Inner Ring Road Tunnel Phase 1/ Inner Ring Road Strategy Phase 2

4.5 Legal Implications, Access to Information and Call In

4.5.1 Legal Implications

There are no legal implications. As part of the bid DfT require scheme promoters to put details of BAFBs on their website so that interested parties can make comments.

Call-in

This decision is Exempt from Call-in due to the external deadline for submission of Best and Final bids by the DfT which if not met would have negative implications on the funding of the scheme.

4.6 Risk Management

- 4.6.1 DfT have informed scheme promoters that if a BAFB is accepted and a scheme is given authority to proceed this will be on the basis of a fixed maximum DfT contribution. The risk of any cost increases above the allocated funding will fall to the scheme promoter and all cost increases will have to be borne by the promoter.
- 4.6.2 The scheme risks have been identified and a quantitative risk assessment has been carried out to determine the cost of the risks being realised. The risks are generally considered to be low as there is extensive recent experience of this type of works in the Council. The cost of the risks will be included in the BAFB.
- 4.6.3 If the BAFB is not successful the structural risks identified will still need to be managed. Either alternative sources of funding will need to be secured or the sections of the IRR through and under these structures will need to be closed. Based on the current deterioration of the structures it is anticipated that the IRR below Lovell Park Road would need to be closed in the next 12 months and that Woodhouse tunnel would need to be closed by 2016/17. This would have a huge impact on the local economy and the attractiveness of Leeds as a city to invest in, or to live and work in.

5.0 Recommendations

- 5.1 Members are asked to:
- Approve the submission of the A58M Inner Ring Road Highways Structures Essential Maintenance Scheme Best and Final Bid to the Department for Transport by 9th September 2011.
 - Agree to the local contribution to the scheme of £3million and approve the injection of this funding into the IRR scheme within the approved capital programme.

6.0 Background documents

- 6.1 None.