

Executive

13 July 2017

Report of the Corporate Director of Economy and Place
Portfolio of the Executive Member for Transport & Planning

PROPOSED YORK OUTER RING ROAD IMPROVEMENTS – APPROACH TO DELIVERY

Summary

1. The decision by City of York Council to join the West Yorkshire Plus Transport Fund was confirmed in December 2016. Funds will be drawn for the proposed York Outer Ring Road (YORR) Improvements.
2. This report sets out the proposed approach to the project and seeks approval of the delivery methodology for the development and construction of the seven targeted improvements to junctions on the north York Outer Ring Road over the next 5 years. Consideration is given to the principles about how the key issues and risks will be managed and the most effective way to make decisions over the coming months to develop the proposals. This report recommends that future decisions on the programme of improvements are taken by the Executive Member for Transport and Planning, for example over matters concerning the purchase of land, consultation and phasing of works.

Recommendations

3. The Executive is recommended to propose to Full Council that a budget of £34.2m be approved for the YORR improvements funded from the West Yorkshire Plus Transport Fund grant.

Reason: To confirm the detailed allocation within the budget for the delivery of the Outer Ring Road Upgrade scheme in accordance with the previous Council Decision taken in December 2016.

4. The Executive are recommended to accept the proposed approach and methodology for future development activity on the YORR Improvement programme, and to approve the following scheme of delegation to enable effective management of the project:
 - a. To approve the acquisition of land by agreement as required for the upgrade schemes, and to delegate approval of acquisition of land interests by agreement of up to £200,000 for any one interest to the Executive Member for Transport and Planning.
 - b. To delegate to the Assistant Director of Transport, Highways and Environment the negotiation of the terms of purchase for individual land interests by private agreement. By definition, this delegation will also include negotiation of easements and temporary rights where freehold ownership is not required e.g. for drainage purposes, or temporary occupation for the construction works. This delegation will also include obtaining the release/extinguishment of, or variation of, any third part rights over affected land (for example a third party might have a right of way over land which needs to be acquired).
 - c. To authorise the preparation of a draft Compulsory Purchase Order (CPO) in parallel to the purchase of land by private agreement in order to reduce the risk of the programme being prolonged if negotiations with some landowners become protracted. (Any decision to authorise the actual making of that CPO would be referred back to the Executive for determination in a subsequent further report).
 - d. To delegate operational and detailed decision making to the Executive Member for Transport and Planning as the programme of design and delivery develops over the next 5 years. These decisions will include:
 - i. Approval of proposed consultation with residents, businesses and stakeholders.
 - ii. Approval of the final layout of each junction upgrade.
 - iii. Approval of phasing of the scheme.
 - iv. Approval of land acquisitions up to £200k (in any one interest as above)
 - v. Acceptance of tenders for construction.

- e. To receive further update reports on progress through the Council's monitoring regime. Further specific reports will be brought back to the Executive when decisions are needed on major changes to the scope of the project or if there are significant financial implications to be considered.

Reason: The proposals being made to Executive will ensure that the planning, preparation and construction of the York Outer Ring Road Improvements can be undertaken in the most efficient manner to meet the ambitions of the City Council and the West Yorkshire Combined Authority.

Background

4. The City of York Local Transport Plan 2011-2031 proposes improvements to the A1237 north York Outer Ring Road (YORR). This strategic link has been the subject of a comprehensive and long term strategy to review and develop junction improvements at identified roundabouts along the route to improve and reduce journey times on this heavily congested route.
5. The YORR Improvement project proposes upgrades to 7 of the existing Outer Ring Road roundabouts between the Wetherby Road and Monks Cross junctions. According to the modelling already undertaken, the expectation is that these upgrades will provide an overall 18-20% improvement in journey times at peak periods. (source: WY+TF Gateway 1 Review Report, Table 2.6).
6. The identified improvements will be delivered through the newly created West Yorkshire Plus Transport Fund (WY+TF). The West Yorkshire Combined Authority (WYCA) co-ordinate the WF+TF and are responsible for the approval and allocation of funds to identified projects.
7. City of York Council (the City Council) have previously commissioned and undertaken a significant amount of development work in 2014-15. This has enabled the identification of junction improvement proposals with a good Benefit Cost Ratio (overall BCR 8) with preferred options identified.
8. The project has secured Gateway 1 (Outline Business Case) approval from WYCA. The City Council are now working to progress the project through the approval Gateways required by WYCA to secure further stage funding allocation from the WY+TF.

9. WYCA have recently refined their Project Assurance process to meet UK Government recommendations. This process comprises 3 Stages broken down into 8 activities, see Annex B. The YORR project is currently in Stage 4 Full Business Case (FBC). It is proposed to be able to submit the FBC in late 2017, enabling approval to proceed to invitation to tenders in spring 2018 for the first junction upgrade.
10. To assist the City Council in design development phases, Pell Frischmann have been appointed as lead engineer.
11. Membership of the WY+TF was approved by the Full Council on 15th December 2016 enabling the delivery work to progress to the next stage – land acquisition, detailed design and public consultation.
12. The council has signed the Partnership Agreement following finalisation of the detailed terms and in the case if the YORR scheme agreed an initial level of funding that can be spent within a grant agreement.

Consultation

13. It is proposed to consult with local residents, businesses and stakeholders on each of the junction upgrades in a timely manner related to the construction programme. This will generally take the form of a leaflet drop and press release to publicise a local exhibition. The exhibition will comprise graphical material to show the proposals and staff will be on hand to explain what is proposed and invite comments. It will also show where measures have been taken to reduce the impact on the local community and accommodate their needs. Residents will also be given access to a website and email address to make comments. Ward members will be kept in touch about these events and invited to attend.
14. Note that two of the proposed upgrade locations at Haxby Road and Strensall Road will require planning permission and will also follow the statutory consultation process which will enable members of the public to formally comment.

Options

Design Principles

15. The aim is to upgrade junctions to a similar standard as the enhanced A19 and A59 roundabouts: i.e. A1237 approaches widened to 3 lanes, A1237 exits widened to 2 lanes, minor arm approaches widened to suit traffic flows, provision of walking and cycling improvements. The upgrades will also be constructed to allow for dualling of the carriageways in years to come. Note that there is no funding of the magnitude required available at this time for dualling. However money for development work is being sought from WYCA to consider this as a future transformational scheme to be delivered after 2025.
16. A full monitoring and evaluation report on the A59/A1237 junction improvement (completed summer 2014) is in preparation and due later this year. Preliminary results, from the monitoring of before and after journey times and traffic volumes, indicates that the scheme has reduced average peak hour journey times on the A1237 by 2-3 minutes (15-20%) either side of the A59/A1237 roundabout. The benefit observed was significantly greater immediately after completion of the scheme but traffic levels have subsequently significantly increased in the area and are now typically running at 30-40% higher than pre-scheme. Some of this additional traffic will have transferred from other routes (reassignment) and some is likely to be new traffic generated by developments in the area. The reassigned traffic will be helping to reduce congestion and delays experienced elsewhere in the city, although measuring the 'knock-on' effects is more difficult because the effect dilutes as you move away from the localised area of the scheme.

Current Activity

17. Planning and design work on the YORR Improvement is now progressing following the City Council's membership of the WY+TF was confirmed in December 2016. Consultants Pell Frischmann have been working with Officers to continue to develop the designs and to develop a programme and proposals for the stages ahead.
18. One of the key issues at this early stage is to determine the optimum programme to deliver the design and construction of the improvements in the most efficient manner. Environmental

considerations, planning issues and the best possible engineering design (including traffic demand) will inform this exercise.

19. However one of the principal risks at this early stage will be to assess and develop a land acquisition strategy which will enable the City Council to acquire land in a timely and efficient manner. The Project Team have taken advice on this matter and propose to acquire land by private agreement where possible and this will simplify and reduce the overall timescales required. It is proposed to arrange for a Compulsory Purchase Order to be prepared in parallel to the land negotiations in order to minimise (so far as possible) delays to the programme related to the acquisition of necessary land interests, see Land Acquisition below.
20. As such the Project Team hope to be in a position by late summer 2017 to make some informed decisions on the sequencing of the early stages of the improvement programme. An indicative programme is included at Annex C to provide members with an insight into the possible sequencing, one of the objectives of which will be to minimise disruption to the general public. Note at this stage the sequence shown is indicative however the overall programme duration is currently that which is being planned against.

Running the Project and Governance

21. The YORR Improvement will be managed on a day to day basis by a dedicated City of York Council Senior Project Manager (SPM). The SPM will oversee the design, procurement and construction stages of the project reporting through their line manager to the Assistant Director of Transport, Highways and Environment.
22. In overall terms, the project team will be responsible to WYCA in order to release and manage funding for the scheme, and to the City Council's Executive Member for Transport and Planning for decision making and operational matters.
23. The project team are required to follow WYCA's Programme Management and financial processes in order to drawdown funding. At high level these comprise the following three stages:
 - Stage 1: Pipeline Eligibility
 - Stage 2: Pipeline Development - Outline and Final Business Case
 - Stage 3: Programme Committed – Delivery

A diagram showing more detail of the requirements and activities in this three stage process can be found at Annex B.

24. As the project will extend over multiple administrations a cross party working group has previously being established identified as the Lead Members Board, see Annex D. Councillors D'Agorne, Dew, Looker and Orrell have been appointed to this Board. This board will be kept informed of progress and consulted on at key points throughout the delivery programme.
25. Routine monitoring of the programme will be overseen by the Assistant Director Transport, Highways & Environment. Officers will meet bi-monthly to monitor the progress of the project and include representation from WYCA. The remit of the Officer Group will include financial and risk monitoring, see Annex D.
26. At strategic level, monthly highlight reports will be submitted through the CYC Verto system and copied to WYCA. This is the common framework which has been developed and adopted for projects across the City Council to ensure that the right controls and approvals are in place. YORR progress will therefore also be reported to a variety of Member bodies alongside the Council's other major projects.

Estimated Costs

27. A cost estimate for the project was prepared in 2014 for the purposes of submitting the WYCA Gateway 1 Report. The estimated cost was £34m. Clearly this will be reviewed and updated throughout each stage of the project.

Land Acquisition

28. In April 2017, the City Council appointed District Valuer Services (DVS) as a part of the Project Team to undertake on the Council's behalf the acquisition of land and buildings by agreement and by Compulsory Purchase if that becomes necessary. This commission will include all services to value the required land and act as the City Council's representative in negotiations with local landowners. This work is underway.
29. Preliminary design work has demonstrated that land will be required at all junction sites for the purposes of construction and delivery of the improvements. As stated in paragraph 3.a above, the Executive

are asked to delegate approval of the purchase of land to the Executive Member for Transport and Planning up to a maximum of £200k in any one land interest.

30. As stated above, it is proposed to prepare a draft CPO in parallel to negotiations for acquisition of necessary land interests. Any decision to authorise the actual making of that CPO would be referred back to Executive for determination in a further report. If negotiations for acquisition of all required land interests are successful then it will not be necessary to ask Executive to authorise the actual making of a CPO. However if negotiations for private agreements become protracted and / or do not represent best value, the advance preparation of a draft CPO will enable the Project Team to expedite the submission of the CPO to the Secretary of State, subject to authorisation from the Executive.
31. The Executive are therefore asked to approve the preparation of a draft CPO in parallel to negotiations for acquisition of land by private agreement.
32. The Executive are asked to delegate to the Assistant Director of Transport, Highways and Environment the following responsibilities:
 - a. The terms of negotiation for the purchase of land
 - b. The acquisition of easements & temporary rights over land, as the Council will not necessarily need to acquire freehold ownership but just rights over it such as rights of drainage or rights of temporary occupation in connection with construction works etc.
 - c. Obtaining the release/extinguishment of, or variation of, any third part rights over affected land (for example a third party might have a right of way over, or other rights over, land which the City Council may need to acquire).

Council Plan

33. The YORR Improvement proposals are embedded in the Council's Plan 2015-19. The implementation of this programme of highway improvements will be an integral part of the key priorities to "provide a prosperous city for all"; to ensure it delivers the services people want and work in partnership with local communities. Improvements to transport infrastructure are key drivers for improved productivity, this in turn leads to economic growth and the increase in wealth.

34. Residents will be consulted about the junction upgrades to ensure that consideration of the potential impact of decisions in relation to health, communities and equalities has been made.

35. Improved journey times will support the following aims from the Plan:

A city where:

- Local businesses can thrive
- Residents have the opportunity to get good quality and well paid jobs
- Efficient and affordable transport links enable residents and businesses to access key services and opportunities
- Environmental Sustainability underpins everything we do

Implications

Financial Implications

36. The estimated cost for the scheme is currently £34.2m. Release of funds from the WY+TF will be processed through satisfying the Activities 5-8 of the Project Assurance process and meetings of WYCA. WYCA have committed to fund £2.45m for development of the project and this is incorporated within a funding agreement between WYCA and CYC.

37. It is necessary to gain approval from Full Council for the creation of this budget within the capital programme. Any changes to the budget as further approvals are taken through WYCA will be reported through the council's regular capital monitoring framework.

38. The current profile of spend is assumed to be

2017/18	2018/19	2019/20	2020/21	2021/22	Total
£1.1m	£9.2m	£11.4m	£8.1m	£4.4m	£34.2m

39. CYC will claim funds back from WYCA quarterly in arrears.

Human Resources (HR) Implications

40. Two Senior Transport Project Managers have accepted offers of employment for the Senior Project Manager positions in order to manage the day to day running of this and other transport fund projects. These posts are funded through the WYCA transport fund.

One Planet Council / Equalities

41. The One Planet Council Better Decision Making Tool has identified the following areas which can be explored further during the design and development of the project:

- Greater consideration of renewable materials during construction.
- Consideration about the reduction of crime where subways are proposed.
- Enhanced Landscaping.
- Use of Public Art to provide attractive spaces for residents.

Legal

42. Section 120 of the Local Government Act 1972 gives the Council a general power to acquire interests in land by agreement. Various provisions of the Highways Act 1980 give the Council power to acquire interests in land (whether by agreement or compulsorily) for highway purposes, including for carrying out improvements to highways but any compulsory purchase order made by the Council is subject to obtaining, and cannot be implemented without, confirmation/approval from the Secretary of State for Transport. Any CPO submitted to the Secretary of State for confirmation must clearly identify all the land interests affected by it and must also be accompanied by a detailed Statement of Reasons setting out the reasons why the Council considers a CPO is necessary and reasonable/proportionate, including why it is a justifiable interference with the private property rights of the owners of the affected land interests..

Crime and Disorder

43. There are no Crime and Disorder implications.

Information Technology (IT)

44. There are no Information Technology implications.

Property

45. Property Services are involved in this project acting as land managers for the City Council. New pieces of land will be acquired

for the junction upgrades, the title of which will rest with the City Council. Property Services will also advise and assist the Project Team in supervising the work to be undertaken by DVS (Land Surveyors).

Other

46. There are no other known implications.

Risk Management

47. In compliance with the Council's risk management strategy the main risks that have been identified in this report are those which could lead to financial loss, damage to the Council's image and reputation and failure to meet stakeholders' expectations. However measured in terms of impact and likelihood, the net score for all risks has been assessed at 14 or less. At this point the risks will be monitored and managed. A risk allowance has been estimated and is included within the current cost plan for the project. There are three main risks currently affecting this project:

- a. Risks associated with land acquisition. As described above, there is a high risk that some landowners will be unwilling to sell land to the City of York Council by private agreement, or in a timely manner. This presents a programme risk potentially prolonging the time to complete the overall project, and in turn risks the release of funding from WYCA. In order to mitigate this risk, preparation of a CPO in parallel to land negotiation is proposed as described above.
- b. Risk associated with withdrawal of funding for the programme. All projects in the WY+TF Programme are under review by UK Government in order to ensure efficient delivery. There is a risk that funding could be withdrawn by the Government if targets for delivery are not met by the WYCA as a whole. The risk level is low at the current time, but it is incumbent on City of York Council to take all necessary measures to play its part and ensure delivery is met. The delivery period extends until the end of financial year 2021-22. The council has also gained mitigation whereby its levy will be reduced if the full capital allocations are not provided.
- c. Risks associated with Planning Approval. Two junction upgrades will require Planning Approval because they present

a bigger environmental impact on their surroundings. These are at Haxby Road and Strensall Road. There is a risk that preparation, submission and procuring Planning Approval may delay the programme e.g. ecology surveys can only be done at certain times in the year. The risk is estimated to be low at this stage as the overall timescale for the project is adequate and provides sufficient allowance for preparation to avoid this.

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**Report
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Date 3/7/2017

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Wards Affected: *List wards or tick box to indicate all*

Haxby & Wigginton
Huntington & New Earswick
Rural West York
Rawcliffe & Clifton Without
Strensall

tick

Background Papers:

No background papers are attached.

Annexes

Annex A – Location of Proposed A1237 Junction Upgrades.

Annex B – WYCA Project Assurance Process.

Annex C – Speculative High Level Programme.

Annex D – YORR Organogram.

Annex E – One Planet York Better Decision Making Tool

List of Abbreviations Used in this Report

CPO – Compulsory Purchase Order

SPM – Senior Project Manager

WYCA – West Yorkshire Combined Authority

WY+TF – West Yorkshire Plus Transport Fund

YORR – York Outer Ring Road