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**Executive**

**20 December 2018**

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

## **A1237 Outer Ring Road – Dualling Update**

### **Summary**

1. This report updates the Executive on the progress of the plans to increase the capacity of the A1237 which has been one of the key transport objectives for the City Council and many of the city's residents. The City Council continue to press for funding to dual the entire length of the A1237.
2. A project to upgrade 7 of the roundabouts on the A1237 is currently in progress as part of the West Yorkshire plus Transport Fund programme.
3. Following a submission of potential schemes by Transport for the North plans to dual the A1237 Outer Ring Road were recently helped by the announcement by the Secretary of State for Transport on 30 September that upgrading a section of the A1237 would be one of the first schemes to be delivered using the new Major Road Network fund.
4. Discussions with the Department for Transport have identified the process and funding requirements to enable the section of the A1237 from the A19 through to the Little Hopgrove roundabout to be delivered over the next few years integrated as much as possible with the current WY+TF scheme. The total outturn cost of the scheme is estimated to be approximately £60m (£32m for the existing West Yorkshire plus Transport Fund (WY+TF) roundabout upgrade element, £28m for the dualling element).
5. This report recommends that £2.8m (Approx. 10% of the dualling element) of funding is allocated as part of the Council's budget process in the Council's Capital Programme as a match funding contribution and to enable the further development of the dualling scheme. An early approval of funding for the dualling scheme will enable it to be fully integrated with the current project and minimise the level of potential abortive work.

6. Long term the council's aspiration remains the full dualling of the entire length of the A1237. The central section between the A59 and A19 incorporating new bridges over the River Ouse and East Coast Mainline will continue to be developed as the next phase of the upgrade. It is proposed to pursue further funding opportunities through the Transport for the North and DfT processes to deliver this element of the upgrade.

## **Recommendations**

7. The Executive is asked to:
  - 1) Approve the proposal to recommend to Full Council the inclusion of match funding in the 2019/20 Capital Programme for dualling of the first phase of the A1237 Outer Ring Road, from the A19 through to Little Hopgrove roundabout.
  - 2) Approve expenditure of the local match funding on the further development of the dualling scheme in advance of confirmation of funding from the Department for Transport.
  - 3) To direct the Leader of the Council to issue a letter identifying the importance of a rapid decision on the funding request and supporting the simplification of the approval process.

Reason: To enable the delivery of a section of the A1237 to dual carriageway standard in the shortest possible time.

## **Background**

8. It has been a long held aspiration for the city to reduce the high levels of traffic congestion experienced on the A1237, York's Outer Ring Road (ORR). Although much of the current delay on the route is caused by the interaction between the orbital and radial traffic at the roundabouts traffic flows are projected to rise to a level where the links between the roundabouts will become a constraint. Delays have been reduced as a result of the roundabout upgrades delivered at the A19 and the A59 in recent years. Further ORR roundabout upgrades (seven in total) are currently being delivered as part of the West Yorkshire plus Transport Fund (WY+TF).
9. It is recognised that there is a limit to the benefits which can be delivered from the roundabout improvements alone and that these will be eroded

in time by additional projected growth in the area. Congestion will remain a constraint to further growth in jobs and housing in York and the surrounding area. A real step change in capacity is required in order to deliver transformational change and this objective can only realistically be achieved by upgrading the full A1237 to dual carriageway standard.

10. Increasing the capacity of the ring road leading to the redistribution of trips will complement the city's transport policies and help to enable more sustainable travel options to be delivered in the urban area of the city. The council's Local Transport Plan identifies a range of policy and physical interventions which maximises the take up of sustainable modes of travel such as walking, cycling and public transport. The city has one of the highest levels of cycling in the country but there are significant physical barriers, such as the river Foss which limit the capacity to increasing the levels further. Increased orbital capacity will also enable travellers to drive to the most appropriate Park & Ride service for their end destination in the city.
11. An A1237 dualling study is currently in progress for the entire length of the road – due to be completed in April 2019. Initial findings show that the busiest section of the A1237 is in the A59 to A19 area however the section currently with the highest level of delay is in the Wigginton Rd to Monks Cross area. Enhancing the capacity of the A59 – A19 section is by far the most expensive to deliver due to the bridges over the East Coast Mainline and River Ouse. Upgrading the former trunk road section from the A19 through to the A64 is lower cost as the majority of the road is at ground level and there is only one new bridge, over the Scarborough Line, to deliver in excess of the current WY+TF scheme.
12. Modelling suggests that with the A19-Hopgrove section dualled journey times on the A1237 will be 20% lower in 2036 than 2016 with the dualling in place even though the flow on the ORR is anticipated to double over that period due to development in the area and the redistribution of traffic from adjacent roads. Note: the proposed scheme will have limited affect on the westbound queues over the river/rail bridges between the A19 and A59 until these sections are also dualled.

### **Funding Opportunity**

13. Earlier this year City of York Council put forward a suggested A1237 upgrade scheme to Transport for the North for inclusion within a submission to Department for Transport (DfT) following a request for potential quick win schemes on the Major Road Network (MRN). Subsequently on 30 September 2018 the Secretary of State for

Transport announced that upgrading a section of York's Outer Ring Road was to be included in a list of five schemes in England which would be funded by the new MRN fund.

14. Since this time we have been working with the DfT to understand the detailed arrangements for drawing down the potential funds.
15. It should be noted that the MRN fund commences in April 2020 meaning that the grant for delivery of the dualling scheme would not be available before then. Discussions are ongoing with the DfT to determine whether an earlier drawdown would be possible.

### **Scope of the Proposed Dualling Scheme**

16. The proposed first phase of the dualling project will upgrade the A1237 to dual carriageway standard from the A19 at Rawcliffe around to the Little Hogrove roundabout at Malton Road. This would then provide a full consistent upgrade of the former trunked section of the A1237. The scheme would also tie in with the proposed Highways England RIS2 scheme to upgrade the A64 in the Hopgrove area. The extent of the scheme is shown in Annex A
17. The scheme will also include a section of orbital cycle route, including a route over the river Foss, from the Strensall Road to Haxby Road roundabouts, to link with the subways being provided at these junctions as part of the WY+TF roundabout upgrade scheme. This route will link Huntington and Earswick with Clifton Moor and provide a better route for cyclists from Rawcliffe through to Monks Cross via Huntington.

### **Approval Process**

18. Guidance for the delivery of a scheme using the Major Road Network fund is due to be published shortly. The current expectation, following initial discussions with the DfT, is that any MRN funded schemes would follow the DfT's standard delivery/approval route i.e.
  - Programme Entry (Outline Business Case),
  - Conditional Approval (All statutory consents obtained, design adequate to allow tenders to be issued),
  - Full Approval (Construction prices received).
19. The DfT expect that the dualling between the roundabouts should demonstrate value for money independently of the WY+TF scheme – Initial work indicates that the benefit to cost ratio for this element would be > 1.5 classifying it as a medium value for money scheme. The full

dualling A19 - Hopgrove scheme including the WY+TF elements has a benefit to cost ratio above 2.0 rating it as high value for money.

20. Subject to the decision on the match funding proposal at this Executive meeting a formal Outline Business Case (OBC) would be submitted to the DfT this month. This is the first stage of the DfT's approval process. Dependent on a positive assessment of the OBC and Ministerial approval it is anticipated that Programme Entry status would be granted for the scheme by March 2019 which would provide more confidence that the DfT would fund the scheme subject to:
  - affordability (including by contributors other than DfT)
  - any necessary statutory powers being obtained
  - there being no significant changes to costs, scheme design or expected benefits.
21. Following Programme Entry status further development work would need to be undertaken to progress through the approval process. All development work would have to be undertaken at risk by the promoter (CYC) and be funded locally pending the granting of Conditional Approval status. The funding for the development work, estimated to cost in the region of £2m, would form part of the overall match funding requirement.
22. Following the standard DfT process separately for the dualling element of the overall scheme has the potential to cause significant delays. It will potentially prevent integration and delay the delivery of the full scheme owing to the need for approval by both the DfT and WYCA for the works which will be delivered as a single project. Owing to the potential impact of the standard approval process on the delivery of this particular scheme it is proposed to put forward an alternative governance arrangement using the WYCA assurance process. Discussions with WYCA and the DfT are ongoing to ensure that the most efficient process is in place.

### **Programme**

23. If the Outline Business Case (OBC) is submitted before Christmas then the DfT have indicated that approval could be provided by March 2019 (subject to Ministerial decision). Consultants are currently preparing the document for submission by 21 December subject to the decision at this Executive meeting.

24. Following the granting of Programme Entry status by the DfT the necessary detailed survey work would be undertaken and designs progressed for the dualling sections to enable statutory approvals to be obtained. Surveys and outline design for the dual scheme would be undertaken in 2019 with a planning application submitted by the end of 2019. The detailed design would then be undertaken enabling procurement of the construction phase. If the standard DfT approval process was followed a Full Business Case would be submitted at this stage to obtain Conditional Approval prior to issuing tenders for pricing. Following procurement of a contractor and funding approval the main scheme would commence in 2020 and be completed in 2023.
25. The WY+TF roundabout upgrade scheme is currently due to be completed by March 2022. Wetherby Road is nearing completion and Monks Cross is due to commence on site in Early 2019. Design work is ongoing for the remaining roundabouts with the expectation that planning applications for Haxby Road and Strensall Rd would be submitted later in 2019 for commencement of construction in early 2020. The other roundabouts would follow on. This programme will need to change to enable the design and approval processes of the two elements to align. Suspending the WY+TF scheme would remove the risk of abortive work entirely but would mean that the delivery of the improvements would be much slower and the funding deadlines for the scheme would not be met. It is essential that there is an early award of funding to enable the designs to be integrated prior to the planning process commencing and therefore reducing the risk of abortive work and enabling the delivery of an earlier overall completion.
26. The WY+TF and dualling schemes would also need to be integrated as a single project as early as possible following the Programme Entry stage to enable the economy of scale benefits to be realised. However pending the confirmation of the DfT funding it is still proposed to continue with the delivery of the Monks Cross roundabout scheme, using WY+TF funding, as planned with commencement on site in early 2019 and completion in mid 2019. Depending on the timing of the confirmation of funding for the dualling scheme further roundabouts would be progressed in isolation with the consequent abortive work risk in advance of the dualling scheme.

### **Match Funding**

27. Local match funding of approx. 10% (£2.8m) is expected to be required, in accordance with current standard practice, to support the dualling element of the scheme. In principle, to enable the OBC to be submitted,

it is proposed to use a contribution from the Council's Capital Programme to match fund the scheme. Alternative match funding opportunities will be explored with other key stakeholders. The existing match funding provided through the WY+TF for the full scheme will be emphasized in the OBC but a new contribution will still be needed for the dualling element.

28. In order to secure the MRN funding for the dualling scheme from the DfT, City of York Council Executive are requested to recommend to Full Council the inclusion of £2.8 million match funding in the 2019/20 Capital Programme which would be resourced from prudential corporate borrowing. Support for the match funding will enable the submission of the Outline Business Case.
29. Any additional costs above the agreed DfT grant would have to be covered by the Council. The current cost estimate is high level against a preliminary design and includes approx. 10% risk allowance. The cost estimate has been checked independently but there is still a risk that the costs will increase as more detail becomes available.

### **Integration with WY+TF Scheme**

30. The WY+TF roundabout upgrade scheme has been designed to accommodate the delivery of a future dual carriageway as much as practical however there are a number of elements, such as drainage, which have currently been designed in isolation. The majority of the complex design and construction, including the subways and bridges, is already within the WY+TF scheme. However the introduction of the dualling scheme means that the current proposed designs of some structures, such as the bridge over the river Foss near Strensall Road would need to change. In addition designs would be required for the embankments and railway bridge over the Scarborough Line near Haxby Road. Early design of the dualling layout will ensure that the roundabout elements are fully compliant with the overall dualling scheme and minimise abortive costs.
31. There is a significant overlap with the roundabout upgrade scheme. The total length of the road between the A19 and Little Hopgrove is approximately 7.5km. The roundabout upgrades including dual approaches represent approx. 1.5km of the length (with a further 2.5km of tapers providing the merges). A proportion of the taper works would be abortive if the two schemes were delivered entirely separately. An early award of funding would reduce the amount of abortive design and construction (e.g. taper sections) being progressed and take advantage

of the economies of scale which would accrue from delivering the full dualling scheme as one project.

32. Integrating the two schemes as early as possible will reduce overall costs, reduce the construction programme and minimise the disruption during the construction period. The Council already has a project team in place, which can be enhanced to deliver the dualling project.

### **Estimated Costs**

33. The estimated outturn costs for this first phase of dualling is £60m (including approx. £32m for the roundabout upgrades funded by the WY+TF). It is estimated that it will cost £28m to upgrade the links between the roundabouts. Owing to the amount of preparatory work already undertaken for the roundabout upgrades, the early stages of the overall dualling project could commence on site by late 2019 with overall completion of this first phase in 2023. The programme would be subject to gaining planning consent and the successful acquisition of land, but preliminary work has already minimised these processes.
34. Separate consultation has not been undertaken for the dualling scheme but there have been a number of campaigns by the local media including the 'Dual Them' Press campaign which demonstrates significant support for the upgrade of the route. Supporting letters have been received from local businesses, the York & North Yorkshire LEP and the MP.

### **Consultation**

35. During consultation for the Wetherby Road and Monks Cross roundabout upgrades one of the most common comments raised by the public was the request to dual the A1237.
36. Subject to the confirmation of funding for the dualling scheme public consultation will be undertaken in advance of the planning process commencing. However if funding is delayed the WY+TF scheme will continue to be progressed and consultation will be undertaken on individual roundabouts as they come forward for detailed design or planning.

### **Options**

37. There are a number of delivery options which could be considered:

Option 1 (Recommended)- Progress the scheme and approve the request for match funding. Progress the further development work in advance of Programme Entry status being granted.



Option 2 – Progress the scheme and approve the request for match funding. Only progress the further development work when Programme Entry status has been granted.

Option 3 – Suspend the bid for funding.

## **Analysis**

38. Option 1 will ensure that the maximum opportunity is taken from the Minister's announcement and the new Major Road Network Fund. Progressing the development of the dualling scheme in advance of the granting of Programme Entry will ensure the dualling and WY+TF schemes are integrated as early as possible reducing the risk of abortive design work. If there is significant delay in the granting of Programme Entry status then there is still a risk of abortive construction work if the roundabout upgrades continue to be delivered.
39. Option 2 will ensure that a more limited opportunity is taken from the Minister's announcement and the new Major Road Network Fund. Progressing the development of the dualling scheme following the granting of Programme Entry will delay the integration of the dualling element with the current WY+TF scheme. Depending on the timing of the Programme Entry announcement further individual roundabouts will need to be delivered on the ground to meet the WY+TF programme. There is a risk of additional abortive design and construction work when the dualling scheme is progressed.
40. Option 3 will mean that the funding opportunity will not be taken up and congestion will increase in future years.

## **Council Plan**

41. The delivery of a dual carriageway standard A1237 will help to deliver the Council's "A Prosperous City For All" priority by reducing the level of delay on this key strategic route. The redistribution of traffic will also lead to a reduction in delays in other areas of the city.

## **Implications**

### *Financial*

42. It is proposed that the contribution be funded from Corporate Prudential borrowing. The revenue costs of borrowing £2.8m are approximately

£150k per annum. The ongoing financial implications of including the scheme within the Council's Capital Programme will be included within the revenue and capital strategy reports considered by Executive and Full Council in February 2019. The level of contribution from the Council's Capital Programme will be dependent on whether alternative funding sources can be identified.

43. It may be possible to obtain external funding from other organisations and these will be actively progressed however funding cannot be guaranteed at this stage. The York, North Yorkshire and East Riding LEP Infrastructure Board have confirmed their support for the scheme and have in principle indicated that they support the provision of up to £1.4m of match funding from the Local Growth Fund. Should the YNYER LEP or other organisations agree to provide additional grant funding this will be used to replace CYC funding.
44. DfT require the council to accept responsibility for meeting any costs of delivering the scheme over and above the DfT contribution requested, including potential cost overruns, and the underwriting of any third party contributions. This could result in the council needing to identify further funding requirements as the scheme progresses.
45. There is a level of risk associated with undertaking feasibility work prior to award of grant funding which may ultimately be abortive. Should the scheme ultimately not be delivered then an element of these costs would be classed as abortive and need to be written off back to revenue.

*Human Resources*

46. There are no HR implications

*One Planet Council / Equalities*

47. There are no Equality implications

*Legal*

48. There are no Legal implications

*Crime and Disorder*

49. There are no Crime and Disorder implications.

*Information Technology*

50. There are no Information Technology implications.

### *Property*

51. Successful Land Acquisition is key to the delivery of the project. Discussions have already been held with the landowners in the roundabout areas minimising the risk however new landowners will need to be contacted for the dual carriageway elements.

### **Risk Management**

52. A full risk register has been prepared for the project identifying the main risks affecting the delivery of the scheme. The risk register will be monitored regularly and mitigation measures put in place as necessary
53. Many of the risks have already been identified through the roundabout upgrade scheme. The main new risk is the potential for significant abortive work (both design and construction) to be incurred if the dualling and roundabout upgrade schemes are not effectively integrated. The extended scheme including the dualling sections means a number of new risks will need to be addressed. In particular land acquisition, rail interface and planning process risks will need to be mitigated.
54. Generally project risks are recorded within the Project Risk Register and managed by the Project Team and monitored by the ORR Delivery Board.

## Contact Details

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### Wards Affected:

All

### Annexes:

Annex A – Drawing showing the extent of the project.