
Executive

13 February 2020

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

**York Outer Ring Road (YORR) Improvements – Proposed Phase 1
Dualling from A19 Rawcliffe to A64 Hopgrove.**

Summary

1. In October 2019, the Department for Transport (DfT) announced that a £26m funding package for dualling a section of the YORR (A19 Rawcliffe to A64 Malton Road) ('Dualling Scheme') had been approved ('Programme Entry'). This is in addition to a programme to upgrade seven junctions along the YORR ('Junction Scheme') which has been underway since summer 2017.
2. The achievement of Programme Entry is good news for the region and provides further significant investment in the City's transport network to add to the £38m already secured for the Junction Scheme. Officers have undertaken a review of the project and have taken advice regarding the implications of the increased funding. The project will now require a single process in terms of an Environmental Impact Assessment (EIA) meaning the current planning permitted development rights in respect of the Junction Scheme can no longer be relied upon. The Junction Scheme and the Dualling Scheme will need to be dealt with as one project.
3. The amalgamation of the remaining Junction Scheme with the Dualling Scheme presents opportunities to co-ordinate and manage the design and construction of both schemes. Early delivery of both schemes is important to the city and merging them delivers more efficiency and cost effectiveness which enables a quicker overall delivery programme.
4. Through the development of the new Local Transport Plan the council can capture the opportunity and benefits that dualling and decongestion of the YORR could deliver for the city centre.

Recommendations

5. The Executive are requested to:

- 1) note the positive news that YORR has Programme Entry for the first phase of dualling the YORR, from A19 Rawcliffe to A64 Malton Road.

Reason: Successive administrations have strived for many years seeking funding to upgrade the YORR. Many residents and employers in the City will welcome and support the news of this proposal.

- 2) approve the merging of the remaining Junction Scheme and the Dualling Scheme into a single programme of planning and delivery.
- 3) request officers to work with the funders of the two schemes to detail the impact of the two separate approvals and bring forward a single programme and revised timetable to a future Executive.
- 4) ensure that any positive impact upon the city's transport system of dualling the YORR is incorporated into the review of the Local Transport Plan so that policies can consider capturing any benefit.

Reason: To develop a single project approach to provide benefits which will aid management and co-ordination of the overall scheme and minimise the disruption impact upon the city of delivering such significant infrastructure project and avoid abortive works. By delivering as one scheme the benefits of a single programme and purchasing power are delivered.

- 5) approve the use of City of York match funding which has already been approved for the overall development specifically for the acquisition of land for the Dualling Scheme to a value of £1m.

Reason: To enable the match funding to be used for land purchase, where appropriate, at the earliest opportunity.

- 6) to note that the Assistant Director Transport, Highways and Environment has delegated authority to purchase land by private agreement / private treaty up to and including £250k in any one land interest in respect of the Junction Scheme and to authorise him to also have such delegated authority in relation to the purchase of land

by private agreement / private treaty in respect of the Dualling Scheme.

Reason: a) To ensure that land purchases for both schemes can be administered and acquired in an efficient manner.

b) To ensure that the council can demonstrate it has attempted to avoid a future Compulsory Purchase Order (CPO) by acquiring land through private agreement.

Background

6. The Junction Scheme comprises upgrades to 7 of the existing YORR roundabouts between the Wetherby Road and Malton Road junctions along the A1237. The main objectives are that these upgrades will deliver an overall 18-20% improvement in journey times at peak periods and drive economic growth to provide jobs and homes. The Wetherby Road junction has been completed.
7. The identified improvements in the Junction Scheme are being delivered through the 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. The allocated fund to the Junction Scheme is £38.3m.
8. The key objectives for the Junction Scheme are :
 - Enhanced connectivity to the A1(M) and other strategic destinations
 - Reduced end to end journey times around the northern section of the York Outer Ring Road by approximately 20%
 - Enhanced journey time reliability for cross-county movements (estimated to be 15-20% of traffic) between origins and destinations in North Yorkshire
 - Removal of through traffic from York City centre due to the decongestion of the Outer Ring Road
 - Economic growth through increased capacity to accommodate future development in the area

- Improved design to modern standards reducing the potential for accidents
- Improved Non-motorised User facilities, to maximise the improvements for active travel as result of this scheme.

9. Progress on the Junction Scheme programme is as follows:

Jcn 1 – A1237/Wetherby Road	Completed and open for traffic in January 2019.
Jcn 2 – A1237/Great North Way	Preliminary design options under consideration.
Jcn 3 – A1237/Clifton Moor	Consultation and detailed design completed, ready to procure a contractor to undertake the works.
Jcn 4 – A1237/Wigginton Road	Consultation completed, detailed design and discussions with landowners in progress.
Jcn 5 – A1237/Haxby Road	Design options under consideration and preparation for planning application.
Jcn 6 – A1237/Strensall Road	Design options under consideration and preparation for planning application.
Jcn 7 – A1237/Monks Cross Drive	Design complete, ready for procurement of contractor for construction, but held up by delays in acquiring land.

10. Currently one junction upgrade has been completed at A1237/Wetherby Road and two further upgrades are at a design stage ready for construction.
11. In parallel to work on the Junction Scheme, an opportunity arose in late 2018 to bid for funding through the DfT to enhance the UK Government's proposed new Major Route Network (MRN) which includes part of the A1237. The council made a bid for this funding and identified a length of the YORR which could be dualled from A19 Rawcliffe to A64 Hopgrove, total estimated cost £28m. This is complimentary to the YORR Junction Scheme.
12. Following a period of negotiations, the DfT announced in October 2019 that the outline business case had been accepted and would be placed in their programme (Programme Entry). This is a significant decision and means that the funding will be made available subject to approval of a

Full Business Case (FBC). On the current programme the FBC is proposed to be submitted when all planning, land acquisition and procurement is complete, realistically this is likely to be in late 2022, however it should be noted that by combining the schemes the overall delivery programme will be sooner than as separate schemes.

Options and Analysis

13. Following the announcement by DfT, council officers convened a meeting of the project team and key suppliers to consider how the Junction Scheme and the Dualling Scheme could be effectively co-ordinated to maximise the benefits. Given that there are two separate funding bodies and two separate approval processes, the following areas will need to be carefully managed to ensure that they are aligned:
 - design co-ordination
 - consultation and planning approval
 - project governance
 - acquisition of land
 - utility diversions
 - construction programme
 - Procurement of advisors and contractors to accommodate the combined scheme
14. The implication of programme entry for the Dualling Scheme on the remaining Junction Scheme is not just about co-ordination. From a planning perspective we have reviewed the schemes and received legal advice that confirms that the two schemes cannot be considered independently and the Environmental Impact Assessment must be considered for both schemes together as a single entity. This also means that the existing planning approach which included the use of permitted development rights for some of the junction schemes are no longer applicable. The entirety of the remaining Junction Scheme and the Dualling Scheme will now need to be considered through a single planning application. This principle, is based on European Case Law.
15. Should funding become available to carry out improvements to the remainder of the YORR in the future, further Environmental Impact Assessments and further planning permissions will be necessary. At the point of considering the implementation of such proposals the council will need to consider what the whole scheme is and it may be necessary to consider certain elements of work as one scheme, requiring one Environmental Impact Assessment, one planning permission, and if

necessary, one CPO. We are obtaining specialist legal advice on this point to ensure that our efforts to obtain funding to carry out improvements to the remainder of the YORR would not prejudice the current proposals to carry out the first phase of the works.

16. Given that advice, it is apparent that no further physical work can be undertaken on the Junction Scheme until each of the Environmental Impact Assessment and Planning Approval is secured, and the necessary land is acquired whether by private treaty or by CPO.
17. This is a landmark point in the YORR programme and the Junction Scheme and Dualling Scheme now need to be considered together. The project team have so far considered the delivery of the Junction Schemes and Dualling Scheme during the bid process as separate entities. This has demonstrated how problematical it would be at future stages, particularly due to the funding and approvals process needed from two different organisations (WYCA and DfT). Not only does this simplify the process, merging the schemes will result in a quicker overall delivery programme.
18. The legal advice provides little doubt that the two schemes need to be combined for the Environmental Impact Assessment. Following the grant of a satisfactory planning permission for the entirety of the Junction Scheme and the Dualling Scheme, options to develop a number of separate construction phases in the future can still remain available at this stage should the council want to deliver junction schemes in advance of dualling but risks an element of abortive works. Value for money through economies of scale will be a driving factor at the construction stage and a single delivery partner with a single contract would be the favoured approach to achieve this. These options will be considered as part of a future report.
19. The amalgamation of the two schemes and the requirement for a full planning application will require a pause. This will allow a number of longer term advantages to be captured.
 - To reduce and streamline into a single planning approval to mirror the environmental impact assessment.
 - The opportunity to align the governance of each funding organisation e.g. **final business cases**.

- Taking a single project approach will bring overall simplicity and economies in time.
- By combining the schemes at the construction and delivery phase it will also significantly reduce the impact upon the City's transport network

20. The recommended option therefore is now to build on the work that has been completed thus far and inter-weave this into the elements that need to be started for the Dualling Scheme. It is proposed that this allows the proper co-ordination of the following elements as one scheme.

- Design
- Consultation
- Planning & Environmental Impact Assessment
- Land Acquisition
- Utility Diversions
- Procurement

21. A new indicative programme is being developed with funders to deliver the amalgamated scheme and will be brought to a future Executive Meeting.

22. Another vital aspect is to purchase land for the Junction Scheme and Dualling Scheme as a single entity where possible. This is a necessary measure as it is important to acquire as much land as possible by private agreement to avoid the last resort of a Compulsory Purchase Order (CPO). Indeed it will be necessary at any possible future public inquiry for a CPO, that the Council can demonstrate that it has attempted to purchase land privately. Any land acquired for the Dualling Scheme and the Junction Scheme prior to obtaining satisfactory planning permission and full business case approval for the Dualling Scheme is acquired with some element of risk, which is unavoidable if we wish to be proactive in relation to both schemes. To mitigate that risk, where appropriate, the council could seek to negotiate contracts of sale which are conditional upon satisfactory planning permission being obtained or sell (at market value) parcels of land already acquired should satisfactory planning permission not be obtained and/or full business case approval for the Dualling Scheme not be forthcoming.

23. The lands cost estimate for these plots is in the order of £1m. Attempting to buy land for both schemes simultaneously will be a more efficient approach saving time, agents' fees, legal fees and salary costs

in the future. The Assistant Director of Transport, Highways and Environment already has delegated authority to make purchases of land in connection with the Junction Scheme up to £250k in any one interest. It is recommended that this delegated authority be extended to land required in connection with the Dualling Scheme.

24. A key objective of the YORR project, is the removal of through traffic from York city centre and some suburban areas due to the decongestion of the Outer Ring Road. The rationale is that additional capacity on the principal route network will attract the traffic that would naturally choose those routes. The work to quantify the areas and streets which might benefit has not begun and is not currently funded. However it is proposed that work on the brief, objectives and outcomes will commence shortly parallel to the Junction and Dualling schemes as part of the development of the new single larger project.

Council Plan

25. The YORR Improvement proposals are embedded in the Council Plan 2019-23. The implementation of this programme of highway improvements will be an integral part of the key priorities to “create homes and a world class infrastructure; well paid jobs and an inclusive economy; getting around sustainably; a greener and cleaner city; safe communities and culture for all and an open and effective council”. Improvements to transport infrastructure such as reduced journey times are key drivers for improved productivity and unlocking sites for homes and jobs. This in turn leads to economic growth and the increase in wealth, helping local businesses to thrive.
26. Residents have been 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.

Implications

Financial Implications

27. The estimated cost for the overall Junction Scheme is £44.216m (inc. £5.94m council contribution). The estimated cost of the Dualling Scheme is £28m (inc. £2.8m council contribution) and includes all works, land, fees, project management and utility diversions. Release of funds from the WY+TF is in progress through satisfying the WYCA Project Assurance process. As stated in paragraph 12 above, release of funds

for the Dualling Scheme will be by presentation of a satisfactory Final Business Case to the DfT.

28. With regard to the proposed Dualling Scheme, a contribution of £2.8m match funding was approved by Council in December 2018. The final level of contribution from the Council's Capital Programme will be dependent on whether alternative funding sources can be identified.
29. Obtaining external funding from other organisations is being sought 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. A business case is being prepared for submission to the YNYER LEP seeking additional grant funding and this will be used to replace council funding.
30. 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.
31. There is a level of risk associated with undertaking the development and 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. It is estimated that fees in the order of £0.5m which would cover design and preparation of a final business case would need to be written off, but land acquisition in the order of £1 m would be retained as a capital asset.

Human Resources

32. There are no Human Resources Implications.

One Planet Council / Equalities

33. 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 whole YORR improvement programme:
 - 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 Implications

34. The council is actively pursuing the purchase of land and rights necessary for the Junction Scheme and the Dualling Scheme by negotiated agreement.
35. The council has the necessary powers to acquire land compulsorily in due course if required for the Junction Scheme and the Dualling Scheme using Part XII of the Highways Act 1980 which includes a number of CPO powers to support the delivery of highways and provided that the requirements to implement a CPO are properly complied with.
36. Any CPO made by the council cannot come into effect unless and until it is confirmed by the Secretary of State and the Judicial Review period has expired.
37. Given the extent of the Junction Scheme and the Dualling Scheme, it is anticipated that a CPO will be required in the future. As such Legal Services will work closely with the external legal advisors to ensure there is continuity between the negotiated agreement process and any CPO process which may be required.
38. Any contracts for the supply of services, goods and works in connection with the Junction Scheme and the Dualling Scheme will need to be properly procured in accordance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015. A review of the strategy in respect of the procurement of various contracts in relation to the Junction Scheme and the Dualling Scheme is currently being undertaken and the results will be presented to a future meeting of the Executive as part of the overall delivery strategy.

Crime and Disorder

39. There are no Crime and Disorder implications.

Information Technology

40. There are no Information Technology implications.

Property

41. Property Services are involved in this project acting as land managers for the council. New pieces of land will be acquired for the Junction Scheme and the Dualling Scheme, the title of which will belong to the council. Property Services will also advise and assist the Project Team in supervising the work of the Land Valuers, land referencers and Legal advisors.

Other

42. There are no other known implications

Risk Management

43. 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. Measured in terms of impact and likelihood, the land acquisition risk has been assessed at 21. This is classed as Major/Highly Probable and is the most significant live issue on the project. Other risks have been assessed at 14 or below. 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. The top two risks currently affecting this project are:

- a. Risks associated with land acquisition. As described above, there is a high risk that some landowners may potentially be unwilling to sell land to the council by private agreement, or in a timely manner. This presents a programme risk potentially prolonging the time to complete the project, increase costs or lose the secured funding. In order to mitigate this risk, preparation of a CPO in parallel to land negotiation is being progressed as described in this report.
- b. Risks associated with utility diversions being more complex than anticipated. These could lead to programme delays and have a cost implication. Early meetings with utility companies are planned to mitigate these risks.

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Wards Affected: List wards or tick box to indicate all

All tick

Rawcliffe & Clifton Without, Haxby & Wigginton; Huntington & New Earswick.

For further information please contact the author of the report

Background Papers:

Report to Executive 13th July 2017

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

Report to Executive 26th September 2019 – Agenda Item 12

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

List of Abbreviations Used in this Report

CPO – Compulsory Purchase Order

WYCA – West Yorkshire Combined Authority

YORR – York Outer Ring Road

FBC – Final Business Case

FBC+ - Final Business Case Plus

HR – Human Resources

WY+TF – West Yorkshire Plus Transport Fund

DfT – Department for Transport

YNER LEP – York, North Yorkshire and East Riding Local Enterprise
Partnership