

Independent Evaluation of Local Growth Interventions: West Yorkshire Plus Transport Fund

Final Report

29th October 2019

The logo for SQW, consisting of the letters 'SQW' in a bold, dark red, sans-serif font.

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Contact:	Rebecca Pates	Tel:	0161 4752112	email:	rpates@sqw.co.uk
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Approved by:	Joseph Duggett	Date:	29/10/19
	Director		

Executive Summary

Introduction

1. A series of Growth and City Devolution Deals have empowered local partners across the UK to design and deliver programmes to develop their local economies. As part of this approach to local economic growth, 'localities' across the UK including Leeds City Region (LCR) were awarded long-term investment funds.
2. **The investment fund in the LCR is known locally as West Yorkshire Plus Transport Fund (WY+TF), and is a 20-year commitment, to a value of £1bn**, which was agreed in 2014 and became operational in 2015.
3. From the outset, it was agreed that WY+TF would go through a Gateway Review process at five-year intervals to assess progress to date and decide on the next five-year tranche of funding. It was also agreed that the first Gateway Review will be informed by an **impact evaluation undertaken by an independent National Evaluation Panel**, which comprises a consortium of evaluators led by SQW¹. The headline findings from the evaluation are set out below, framed against each of the Gateway Review assessment criteria. Appendix A sets out how this report (and supporting evidence papers) addresses the evaluation indicators to be used by the UK Government in the Gateway Review. It is understood that the remaining criteria will be addressed separately by the locality.

Context

4. The LCR is one of the largest economies in England, which covers a large diverse geographical area and **functions as a coherent economic unit** with high containment. **The City Region has range of real economic strengths** including a major financial, professional and business services sector, strong retail offer, a concentration of research and R&D assets, and a growing international profile and reputation which has supported growth in tourism and hospitality businesses.
5. However, the city-region also faces economic challenges, with persistently low productivity relative to the UK, and significant areas of deprivation, particularly in parts of Leeds, Bradford, Wakefield and Barnsley. **Transport issues and bottlenecks had also been identified by local partners as a key barrier to the growth of the LCR.**
6. In this context, the aims of the WY+TF identified in 2014 were to: unlock and enable growth in existing employment sites and open up new sites allocated for employment and housing; increase the productivity of businesses by reducing transport costs, expanding labour catchments and expanding the number and range of accessible employment opportunities; improve access and connectivity to employment, skills and business opportunities; and

¹ The consortium includes Cambridge Econometrics, Savills, Steer, and an Academic Group (Prof Martin Boddy, University of West of England; Prof Ron Martin, University of Cambridge; Prof Philip McCann, University of Sheffield; Prof Peter Tyler, University of Cambridge; and Prof Cecilia Wong, University of Manchester).

facilitate the move towards a resource smart City Region by reducing the carbon impact of transport and encouraging sustainable land use growth.

7. Local partners prioritised a series of interventions for support from the WY+TF that included radial improvements (e.g. rail station gateways, parking and bus packages); ring road improvements; investment in transport infrastructure in key development areas; improved motorway access, and improvements between major centres to ensure high capacity, modern, fast and attractive connectivity.
8. The WY+TF has supported some 54 interventions, of which **19 interventions are the focus of the evaluation for the first Gateway Review**; these are interventions with significant levels of investment from the Fund, that had commenced delivery and expenditure before December 2018.

Evidence of intervention progress

9. The **19 interventions which are the focus of the evaluation had spent £107.1m of WY+TF investment by the end of Q1 2019/20**. A further £20.6m of expenditure had been incurred on the other 35 interventions, providing total expenditure of £127.7m for the WY+TF. The 19 interventions within scope of the evaluation accounted for 84% of total WY+TF expenditure by the end of June 2019.
10. At this evaluation stage, **expenditure is above expectations** (at 120% of planned expenditure for the 19 interventions), and the Fund is on track to spend the £30m per annum Government grant allocation for the first five years by the end of the 2019/20 financial year. This is an impressive achievement given the starting point of many partners involved – particularly in terms of capacity and experience (as discussed below) – and the newly created Combined Authority at the outset.
11. This said, **the Locality encountered challenges in forecasting intervention expenditure during the early years of the WY+TF**, leading to ongoing reprofiling. The expenditure forecasts made by project managers prior to, and in, 2017 were optimistic and aspirational. More realistic forecasts were produced in October 2018; it is these revised forecasts that form the basis for the assessment of progress against expenditure in the evaluation.
12. Of the 19 interventions within scope of the evaluation, **seven are complete, broadly meeting expenditure and output targets**. Of this group, two were delivered on time, and five experienced minor delays. Despite this, all are on track to deliver against their original objectives and have collectively generated significant outputs including: 19km of new pedestrian and cycle routes, 9.2km of new/improved roads, 16 new/improved junctions, 8,000m of utility infrastructure, 14 electric vehicle charging points, 1,175 car parking spaces and 2,700sqm of public realm improvements.
13. **Twelve of the nineteen interventions are on-going, and there is considerable variation in progress against plans**. For example, expenditure on six interventions was above expectations at Q1 2019/20, but below expectations for five. Further, some interventions remain at the feasibility/preparatory works stage, whilst others are under construction. **All twelve on-going interventions have experienced delays**.

14. Factors that have enabled the delivery of interventions include strong and effective partnership working, close alignment with local strategies/masterplans, effective management and fixed external drivers (such as significant tourism events). There has also been a considerable amount of learning and experience gained across delivery partners, which has helped to accelerate progress over the last 18-24 months.
15. Factors causing delays across many interventions have been typical construction issues, land acquisition/remediation/access, contractor issues, extended feasibility/design periods, and some issues working with third parties, including Network Rail and site tenants.

Evidence of intervention impact

16. Three impact evaluations (covering five interventions) have been completed to inform the first Gateway Review. They were focused on selected transport infrastructure interventions that were expected to be furthest progressed and generating outcomes at this stage. The interventions covered by impact evaluation accounted for almost half (48%) of WY+TF expenditure spend across the 19 interventions by the end of June 2019.
17. Each impact evaluation involved a mix of primary and secondary research, and sought to assess the impact, and additionality, of the investment at this stage. The analysis and interpretation of the evidence recognised that it **can take time for the effects of transport infrastructure to work through and impact on behaviours and economic performance**.

Impact evaluation 1: Aire Valley Park and Ride

18. The Aire Valley Park and Ride (P&R) was designed to reduce congestion on the strategic highway network and reduce costs and time for commuter and other visitor journeys to Leeds city centre. It also aimed to ease pressure on the parking supply for Leeds city centre, and provide a public transport offer to Leeds Enterprise Zone, supporting wider growth ambitions. The scheme involved the construction of a 1,000 space car park, adjacent to the East Leeds Link Road and close to junction 45 of the M1. A designated bus service runs two-way, connecting East Leeds/Aire Valley Enterprise Zone, with the city centre.
19. Key findings from the impact evaluation included:
 - the P&R has had high and rising usage, and has brought direct benefits to users in terms of choice, convenience and reduced costs; there is **positive evidence from surveys of users of impacts on customer satisfaction, increased bus passenger numbers and reduced journey times**
 - in a context of increasing traffic flows from east Leeds and growing congestion in the city centre, **the P&R has helped to reduce traffic volumes below what they would otherwise be through modal shift** (with half of users surveyed in 2019 previously driving before the P&R opened, mainly for employment purposes); however, the scale of this is modest, relative to changes elsewhere in the strategic transport network that will impact on overall traffic flows
 - the scheme has led to a **reduced demand for car parking spaces in Leeds** of an estimated c.250 spaces per day (including formal, temporary, on-street and other informal spaces)

- investment in the P&R is seen as a success locally; this is demonstrated with **planning now underway for a 400-space extension**.
20. It is not possible to say definitively what would have happened if funding for the intervention had not been available through WY+TF. However, the evidence suggests that while the P&R would probably have gone ahead in some form, it is likely that alternative funding would have been limited, or had constraints attached. This would probably have meant that **without the WY+TF the P&R would have been delivered less quickly, at a smaller scale or to a lower standard**, with implications for the level of impact realised at this stage and in the future.

Impact evaluation 2: Kirkgate and the Wakefield Eastern Relief Road

21. There are longstanding physical challenges in and around Wakefield city centre associated with the area's industrial past, including derelict and vacant sites, stalled developments, and inadequate infrastructure (transport, public realm and drainage). The city centre also experiences heavy congestion in peak periods.
22. In this context, two linked schemes were supported by the WY+TF to ease congestion, facilitate the development of residential/commercial sites, and help residents to access wider employment opportunities, which were covered by an integrated impact evaluation. The Kirkgate intervention involved highway improvements identified under the "Wakefield City Centre Package" to improve connectivity to/from/within the Kirkgate area of Wakefield. The Wakefield Eastern Relief Road (WERR) involved the construction of a new single carriageway road around the eastern edge of Wakefield city centre, to provide an alternative route to travelling through the city centre to ease congestion, create new pedestrian and cycle routes, and reduce air and noise pollution. The WERR was also expected to unlock over 150 hectares of (largely housing) land across the City Fields site.
23. Key findings from the impact evaluation included:
- early evidence suggests **the schemes have improved traffic and associated environmental outcomes in the area**, in line with the objectives; this includes shorter and more reliable travel times, improved safety and air quality, and increasing provision of buses and cycle routes
 - **improved travel outcomes are translating into economic impacts for some businesses interviewed**, mainly in the form of improved productivity; there is also some evidence to suggest the WERR has increased the range and accessibility of employment opportunities
 - the **WERR has rapidly unlocked land for housing** (and some commercial) development on the City Fields site, increasing the speed, scale and quality of development, and more widely led to enhanced investor confidence in the area
 - the **Kirkgate intervention has significantly improved the quality of the public realm and green space, and has also created platforms for development**, with early signs this is starting to stimulate some investment interest and improve perceptions of the area as a business location; this said, wider regeneration still needs to take place in the area to fully realise visions for Kirkgate as a "gateway" to the city.

24. The Kirkgate scheme is unlikely to have gone ahead without WY+TF. Other developments have taken place in the area which will have contributed to improving the image of the area, but the Kirkgate scheme appears to have accelerated regeneration efforts. Elements of the WERR may have gone ahead. However, this would have been piecemeal development as small parcels of land were brought forward over a longer period, and even with this approach a fully joined up route was unlikely due to the necessary costs. There is strong evidence to indicate that the WERR has increased the speed, scale and quality of subsequent development, and critical transport-related outcomes would not have been possible without the full WERR.
25. Further, congestion issues are unlikely to have been addressed without both schemes individually and working in combination to reduce traffic through the city centre. There is some evidence of traffic displacement effects to the north of the city – this was anticipated, and plans are already in place to address the issue. Taken together, **the evaluators consider there are directly attributable benefits (transport and wider) as a result of the Kirkgate and WERR interventions, which would not have been realised without the WY+TF.**

Impact evaluation 3: South Elmsall and Fitzwilliam Rail Parking

26. The towns of South Elmsall and Fitzwilliam in Wakefield District face significant challenges associated with their mining heritage, and contain areas amongst the most deprived in the country. Access to employment opportunities in proximate urban areas is crucial, however, local rail infrastructure, specifically rail car parking, was unable to meet demand. A lack of alternative modes of transport travel to the station, combined with growing numbers of rail users, had resulted in additional demand on limited rail station car parking, causing capacity and congestion issues.
27. The impact evaluation focused on schemes to extend car parking provision at rail stations in South Elmsall and Fitzwilliam; these two interventions form part of a wider programme of 15 rail parking schemes across the City Region that remains on-going. The interventions involved extending the car parking provision at Fitzwilliam station by 103 car parking spaces (to a total of 126 spaces), and in South Elmsall extending the car parking provision by 49 spaces and resurfacing the existing 57 spaces (to a total of 106 spaces). Both schemes also involved public-realm improvements including new lighting and CCTV, resurfacing and maintenance.
28. Key findings from the impact evaluation included:
- encouraging evidence that **the increased parking capacity has led to positive effects for station users**, including improvements in rail user satisfaction of the stations, improved perceptions of safety, and some changes in parking behaviour which has reduced the level of roadside parking in South Elmsall and Fitzwilliam
 - at **Fitzwilliam particularly, the expansion has improved the accessibility of employment opportunities and local services** for some users
 - observable transport-related outcomes are modest at this stage, although this is not unexpected given the relative scale of the interventions, and significant “noise” influencing rail usage including strikes and changes to timetables. This said, there is **some evidence to suggest the interventions have shortened journey times** (especially at Fitzwilliam), led to **improved journey reliability** (especially at South

Elmsall), and **encouraged some modal shift, as users commute via rail instead of car** (especially at South Elmsall)

- the interventions are seen to be **contributing towards the strategic regeneration of this part of Wakefield**, complementing wider regeneration activities in a strategic priority area locally, helping to create a better environment to live and affordable way to commute to job opportunities in urban centres.
29. It is **unlikely that either car park would have been expanded without WY+TF, and outcome additionality is evident**, particularly in terms of the improved rail user satisfaction of the stations, the local environment and improvements to journey times/reliability. Some leakage is suggested (with spaces used by individuals not using the stations). However, the parking situation would have worsened, or at best remained the same, without intervention.

Evidence of effects on capacity development and partnership working

30. Evidence from online surveys and stakeholder consultations with those involved in local economic development across LCR suggests that **substantial progress has been made since 2014 in economic development capacity and partnership working**.
31. The **WY+TF was considered the most influential factor in driving these changes**, with over half of respondents to the online survey rating it as “extremely influential”. The wider Growth Deal – of which the WY+TF forms an important component – has also played a key role in the reported progress in economic development capacity and partnership working.
32. The online surveys and strategic stakeholder consultations suggest that **improvements to governance structures, strategic and operational decision-making processes, and partnership working have been particularly evident since 2014**. This was reported to have led to greater consensus on key thematic and spatial priorities across the City Region. Consultees also reported that WY+TF played a critical role in creating and accelerating the maturity of the WYCA.
33. The **distance travelled in terms of local capacity and competencies has been significant**. When the WY+TF was introduced, the City Region was starting from a relatively low (and variable) base on these issues, and it has taken considerable time and effort to establish the capacity and skills needed to deliver. The scale, longevity and stability of the WY+TF has been critical in enabling partners to plan, make the case for, and invest in capacity internally.
34. Partners now feel in a much stronger position, with an **improved understanding of the role of evidence and relationship between transport and economic development, more robust project development and appraisal processes, and considerable experience of managing and delivering large-scale and complex transport schemes**. This learning is helping to improve the quality of subsequent business cases and improve the effectiveness of delivery of the WY+TF.
35. One area for **further continuous improvement identified related to community engagement**. However, project manager consultees noted they have gained valuable experience from undertaking large-scale consultation exercises as part of WY+TF interventions, which will inform community engagement processes in the future.

1. Introduction

West Yorkshire Plus Transport Fund and the Gateway Review process

- 1.1 A series of Growth and City Devolution Deals have empowered local partners across the UK to design and deliver programmes to develop their local economies. This encourages partners within functional economic areas to work more closely together and to develop new governance arrangements.
- 1.2 As part of this approach to local economic growth, city regions and counties across the UK (referred to as 'localities') including Leeds City Region were awarded long-term investment funds. Spend of these funds is allocated to locally appraised interventions, providing localities with greater control over directing priority investment decisions. These interventions are appraised in line with assurance processes agreed with central government.
- 1.3 Key features of the approach agreed between UK Government and localities include:
 - A long-term funding commitment, with agreed overall (maximum) envelope: in the case of Leeds City Region this is a 20-year commitment, to a value of £1bn, known locally as West Yorkshire Plus Transport Fund (WY+TF). The first six years funding is confirmed, paid in annual instalments
 - A Gateway Review after the first five years, and then every five years subsequently; for Leeds City Region, with the investment fund starting in 2015/16, this involves a Gateway Review by March 2020
 - The understanding that future funding beyond the first five years will be subject to the outcome of Gateway Reviews and Ministerial decision-making
 - Agreement that the Gateway Review is informed by a review of the impact of investments, undertaken by an independent National Evaluation Panel; in November 2016, an SQW-led consortium² was appointed to deliver the work of the National Evaluation Panel.

The National Evaluation Panel

- 1.4 The purpose of the National Evaluation Panel is to evaluate the impact of the locally-appraised interventions on economic growth in each locality to inform the Gateway Review and Ministerial decision-making on future funding. This is specifically focused on the WY+TF, not the full 'Deal' awarded in each locality.
- 1.5 The focus is on the impact of activities supported by the WY+TF, or the progress in delivery where it is too early for impact to be established. The work of the National Evaluation Panel

² The consortium includes Cambridge Econometrics, Savills, Steer, and an Academic Group (Prof Martin Boddy, University of West of England; Prof Ron Martin, University of Cambridge; Prof Philip McCann, University of Sheffield; Prof Peter Tyler, University of Cambridge; and Prof Cecilia Wong, University of Manchester).

does not cover the processes of decision-making and delivery mechanism, or advising on what interventions should be supported.

- 1.6 The work of the National Evaluation Panel to inform the first Gateway Review has involved:
- the development of evaluation frameworks – a National Framework and in turn Locality Frameworks that were endorsed formally by localities and the Cities and Local Growth Unit (CLGU) on behalf of the Government
 - the agreement of evaluation plans for each locality, and subsequent delivery of the agreed evaluation research by the consortium, informed by monitoring data collected by the localities
 - evaluation reports on impact and progress of the WY+TF.
- 1.7 The National Evaluation Framework was approved by the Steering Group³ of the National Evaluation Panel in August 2017. It established three principal strands of work:
- **Impact Evaluation:** assessing the extent to which interventions supported by the investment funds have generated economic outcomes and impacts for their locality
 - **Progress Evaluation:** where it is too early to evidence outcomes and impacts, even at an interim stage, an assessment of the progress that interventions have made by in their delivery, for example, against anticipated expenditure, delivery milestones, and in generating outputs
 - **Capacity Development and Partnership Evaluation:** to provide qualitative evidence on the effects of the investment funds on local capacity development and partnership working.

This report

- 1.8 This is the Draft Final Report for the evaluation of the WY+TF, to inform the first Gateway Review. It is the third and final output from the evaluation, following a Baseline Report in February 2019, and a One Year Out Report in March 2019.
- 1.9 The draft Final Report is for review and comment on by Leeds City Region, and the Panel's Academic Group.
- 1.10 The report is structured as follows:
- Section 2. Policy and economic context
 - Section 3. Overview of the Investment Fund
 - Section 4. Assessment of progress
 - Section 5. Assessment of economic impacts

³ The Steering Group comprises representatives from the 11 participating Localities: Glasgow City Region; Greater Cambridge Greater Manchester; Leeds City Region; Liverpool City Region; Tees Valley; Cambridgeshire and Peterborough; Cardiff Capital Region; Sheffield City Region; West Midlands; West of England,

- Section 6. Wider contribution of the Investment Fund.

1.11 Two supporting annexes are provided:

- Annex A. Peer Review comments [To be included in the final report]
- Annex B. Economic forecasts and out-turns.

1.12 This main report is supported by five detailed evidence papers on:

- Capacity Development and Partnership Working
- Progress Evaluation
- Impact Evaluation of the Aire Valley Park and Ride intervention
- Impact Evaluation of the Wakefield City Centre Package: Phase 1 Kirkgate and the Wakefield Eastern Relief Road (WERR) interventions
- Impact Evaluation of the South Elmsall and Fitzwilliam Rail Parking interventions.

2. Policy and economic context

The Leeds City Region Growth Deal and wider policy context

- 2.1 The strategic context for WY+TF was originally documented in the **'Leeds City Region Strategic Economic Plan 2014'**⁴, which set out the vision *"to unlock the potential of the City Region, developing an economic powerhouse that will create jobs and prosperity"* and the following underpinning objectives:
- Priority 1: Supporting growing businesses, enabling vibrant private sector growth, based on innovation and exports
 - Priority 2: Developing a skilled and flexible workforce, creating a NEET-free City Region, with more and better jobs, and the skilled and flexible local workforce to sustain them
 - Priority 3: Building a resource smart City Region, becoming a lean, resource efficient economy underpinned by a 21st century energy infrastructure
 - Priority 4: Developing the infrastructure for growth, building a 21st century physical and digital infrastructure that enables us to reach our growth potential.
- 2.2 Local, national and international transport connectivity was a central theme to the 2014 SEP, and was seen as key to realising the City Region's economic growth ambitions. This included smaller transport investments which were important to unlock major strategic priority sites, through to the significant growth opportunities associated with HS2.
- 2.3 The WY+TF forms a key part of the **Leeds City Region (LCR)'s first Growth Deal**. The Growth Deal was signed in July 2014 and was an agreement between Leeds City Region LEP, West Yorkshire Combined Authority (WYCA) and the Government⁵. It was agreed that it would focus on three key priority areas as identified in the LEP's Strategic Economic Plan. These were:
- Improving transport connectivity, accelerating housing growth and town centre regeneration
 - Developing a skilled and flexible workforce
 - Supporting growing business and promoting resource efficiency.
- 2.4 To deliver these aims the Deal outlined a range of agreed priorities. In addition to the WY+TF, this included a skills capital programme, a business growth programme and resource efficiency fund, energy infrastructure interventions, and place-specific schemes (such as the

⁴ Leeds City Region Enterprise Partnership (2014) Strategic Economic Plan 2014. See: <https://www.the-lep.com/media/2284/leeds-city-region-sep-part-a-growth-plan.pdf>; <https://www.the-lep.com/media/2300/part-b-delivery-plan.pdf>

⁵ Note, two subsequent Growth Deals have been agreed in January 2015 and November 2016.

East Leeds extension, Halifax Town Centre re-development and One City Park in Bradford). By 2021, this Deal was expected to create at least 8,000 jobs and allow 1,000 homes to be built⁶.

2.5 Since the first Growth Deal, transport in the context of economic growth continues to be a strategic priority for the City Region, as illustrated by the following:

- The refreshed **Leeds City Region Strategic Economic Plan 2016-2036** (published in 2016)⁷ which sets out the approach “to be a globally recognised economy where good growth delivers high levels of prosperity, jobs and quality of life for everyone”. The Plan’s priorities include “clean energy and environmental resilience” and “infrastructure for growth”, whereby “places will be connected by high quality transport and wider infrastructure that serves the needs of businesses and people” and “movement between towns and cities will be easy and fast”.
- The **Transport Strategy 2040** (published in 2017)⁸ supports the SEP, with a vision to “enhance business success and people’s lives by providing modern, world-class, well-connected transport that makes travel around West Yorkshire easy and reliable.” Specifically in relation to the economy, this Transport Strategy aims to “create a more reliable, less congested, better connected transport network” in order to attract inward investment as well as connect people to higher earning job opportunities.

The Leeds City Region economy

2.6 Leeds City Region (LCR)⁹ is one of the largest economic areas in the UK, with a population of approximately three million, of whom 1.9 million are working age. LCR generated nearly £70bn Gross Value Added (GVA) in 2017,¹⁰ with real GVA growth since 2009 of 10.5%.¹¹

2.7 Leeds, the main economic centre, has an economy estimated to be worth £21.3bn per year; this represents almost a third of the LCR’s total economic output.¹² The city region economy is forecast to grow by around 20% over the next decade, with businesses expected to generate more than half of GVA growth. Overall, Leeds has a high economic activity rate, the unemployment and claimant rate remain below the national average, the business stock is increasing, and the economic outlook is seen as promising.

2.8 The Leeds City Region Strategic Economic Plan 2016-2036¹³ sets out the key strengths and assets of the city region, which include:

⁶ See:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/398863/20_Leeds_City_Region_Growth_Deal.pdf

⁷ Leeds City Region Enterprise Partnership, 2016, [Leeds City Region Strategic Economic Plan 2016-2036](#)

⁸ West Yorkshire Combined Authority, 2017, [Transport Strategy 2040](#)

⁹ LCR comprises the 10 districts of Barnsley, Bradford, Calderdale, Craven, Harrogate, Kirklees, Leeds, Selby, Wakefield and York. Note, Barnsley, Craven, Selby and Harrogate are not covered by WY+TF. The Combined Authority’s membership is made up of West Yorkshire partner councils of Bradford, Calderdale, Kirklees, Leeds and Wakefield, plus York.

¹⁰ Office for National Statistics. See:

<https://www.ons.gov.uk/economy/grossvalueaddedgva/bulletins/regionalgrossvalueaddedbalanceduk/1998to2017>

¹¹ *Ibid.*

¹² Leeds City Council.: See <https://www.leeds.gov.uk/business/economic-performance-and-key-sectors>

¹³ Leeds City Region Enterprise Partnership & West Yorkshire Combined Authority (2016), Leeds City Region Strategic Economic Plan 2016-2036

- the second largest economy in England (outside London) which covers a large diverse geographical area and functions as a coherent economic unit with high containment
- the UK's largest centre for financial, professional and business services outside London, complemented by a strong rail sector
- excellent opportunities in the agri-tech and bioeconomy sectors, linked to major R&D assets and business growth
- concentration of universities with a large student population and a good performance on graduate retention and employment
- growing profile, reputation and visitor numbers through attracting major events including the Tour de France and Tour de Yorkshire which have supported growth in tourism and hospitality businesses.

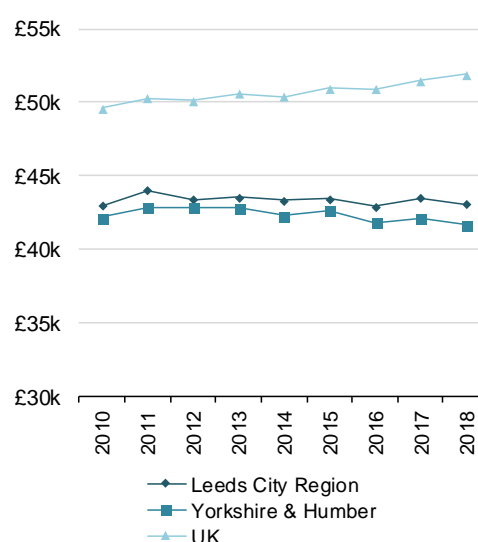
2.9 However, the area faced some challenges which are reflected in deficits in both GVA per head and GVA per employee compared to the UK overall (as shown in Figure 2-1). The data for both indicators reveal that the gap between the city region and the UK has not closed over the past decade, with GVA per employee beginning to diverge further over recent years. That said, over the period, the city region has continued to perform more strongly than Yorkshire and The Humber, with the gap remaining largely unchanged.

Figure 2-1: GVA per head & per employee for the Leeds City Region, Yorkshire and The Humber and UK 2010-18

GVA per head of population



GVA per employee



Source: Cambridge Econometrics and Annual Population Estimates

2.11 Table 2-1 provides a summary of key socio-economic performance indicators for the city region, relative to the UK. The table shows a baseline position when the Deal and WY+TF was agreed and the latest available data at the time of writing. The data reflects some of the challenges in the city region in terms of its business base, labour market characteristics and skills base, with all indicators performing below the UK overall.

Table 2-1: Key socio-economic indicators for Leeds City Region

	Baseline		Latest data	
	Leeds City Region	UK	Leeds City Region	UK
Business				
Business stock per 10,000 working-age population	505	580	606	704
Business start-up rate per 10,000 working-age population	56	66	69	92
Private sector employment as share of all employment	82.3	83%*	82.7	83.4%*
Labour market				
Unemployment rate 16-64	8.6%	8%	3.9%	4.2%
Economic activity rate 16-64	77%	77%	77%	79%
% employment in professional / managerial occupations**	27%	30%	29%	32%
Skills				
% with NVQ4+ - aged 16-64	31%	34%	34%	39%
% with no qualifications (NVQ) - aged 16-64	12%	10%	9%	8%

Note: 'Baseline' represents data in 2012 for all indicators apart from 'Private sector employment as share of all employment' where the data available was 2015. The 'latest data' represents 2017 for business indicators and 2019 for all labour market and skills indicators, apart from jobs in private sector where the latest data available was 2018.

*Due to data availability, these figures are representative of Great Britain and not the UK.

**Professional and managerial occupations are those that are classed as managers, directors and senior officials, or have professional occupations, as classified by ONS.

- 2.12 The data above focus on the City Region as a whole. However, this hides substantial variation in socio-economic performance within the geography. For example, as summarised in Table 2-2, residential and workplace earnings vary across the City Region geography, with the annual pay gap widening over 2012-2018.

Table 2-2: Gross annual earnings for Leeds City Region, Local Authority areas (£k)

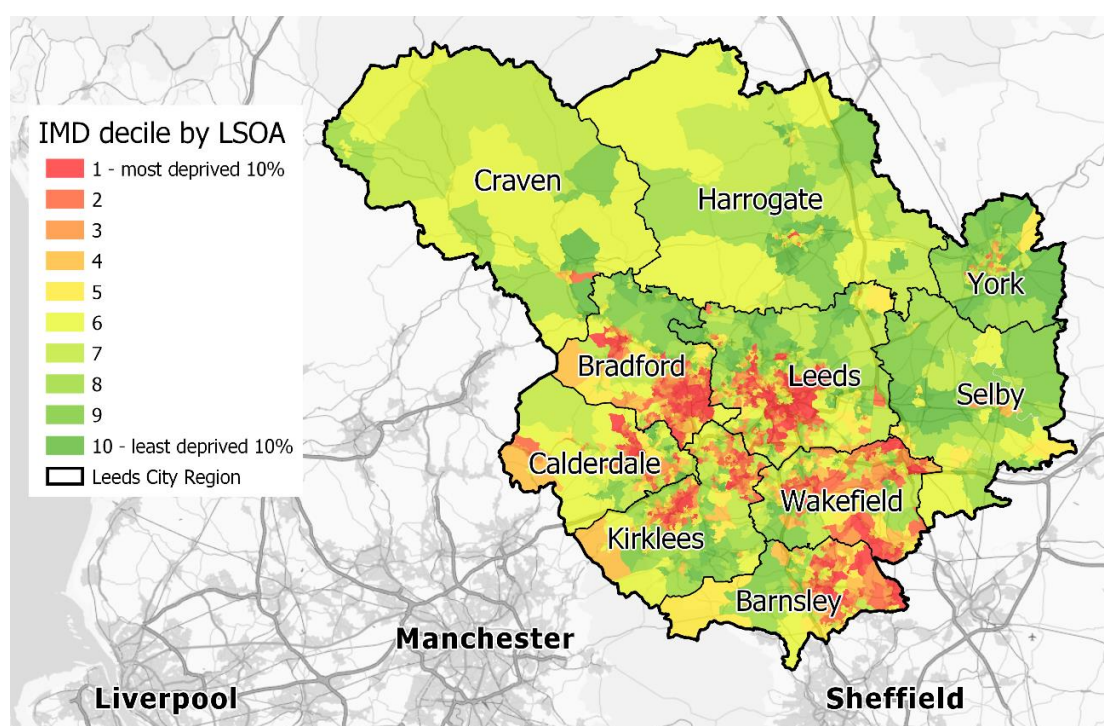
	Resident annual pay (gross, median, £k)		Workforce annual pay (gross, median, £k)	
	2012	2018	2012	2018
Barnsley	20.1	21.6	19.5	25.3
Bradford	19.2	21.1	19.7	25.9
Calderdale	21.5	22.4	19.7	27.7
Craven	19.1	n/a	18.0	25.8
Harrogate	21.3	24.3	17.8	27.1
Kirklees	19.7	21.6	17.9	26.1
Leeds	21.2	23.1	21.9	28.1
Selby	22.2	27.2	22.5	30.5
Wakefield	18.4	21.2	20.0	27.2

	Resident annual pay (gross, median, £k)		Workforce annual pay (gross, median, £k)	
York	21.4	21.3	20.0	26.5
LCR	20.0	22.1	20.5	27.4
UK	21.5	24.0	21.5	29.6

n/a Not available. Source: ONS (Annual survey of hours and earnings data)

- 2.13 Note: the median is the value below which 50% of jobs fall. According to the ONS, this is the preferred measure of average earnings as it is less affected by a relatively small number of very high earners and the skewed distribution of earnings. It therefore gives a better indication of typical pay than the mean.
- 2.14 Figure 2-2 below represents the most recent Index of Multiple Deprivation (IMD) data. Graphically, it can be seen that four of the ten districts in the Leeds City Region contain few areas with acute deprivation. The majority of the output areas that rank as the most deprived are in the more urban districts. In particular, Leeds and Bradford account for two-thirds of the City Region's lower-level super output areas (LSOAs) in the most deprived 10%.

Figure 2-2: Leeds City Region, Index of Multiple Deprivation (IMD), 2019



Source: Produced by SQW 2019. Licence 100030994. Contains Ordnance Survey data © Crown copyright and database right 2019 and Ministry of Housing, Communities & Local Government, English Indices of Deprivation 2019

Economic forecasts and out-turns

Approach

- 2.15 To provide context for the impact and progress evaluations, the National Evaluation Framework recommended that economic forecasting was used to identify how the economy in Leeds City Region was expected to develop at the point that the Deal and Investment Fund

was agreed in 2014. This perspective on future economic performance from 2014 was compared to actual out-turns at the point of the final evaluation.

- 2.16 This involved the use of a projection from Cambridge Econometrics' highly disaggregated database of employment and GVA by industry using the data available in 2014, tailored to reflect local circumstances where key additional developments were known about at the time. This projection sought to be as consistent as possible with policy makers' expectations of the wider macro environment around the time that the Deal and investment fund was agreed, and excludes economic and policy contexts/circumstances, which were not known at the time (most obviously Brexit).
- 2.17 The projections have then been compared to the latest information available on actual out-turns, including data to 2018. Further details regarding the approach, technical considerations and limitations, and the detailed data from the initial projections and analysis of out-turns are set out in Annex B.

Key findings

- 2.18 The headline interventions and out-turn data for employment, Gross Value Added (GVA), and productivity (measured in terms of GVA per employee) growth over the 2012-18 period in the Leeds City Region are presented in Table 2-3.

Table 2-3: Comparison of projected and actual headline economic performance in Leeds City Region 2012-2018

	2014 projection	Actual out-turn
Change in employment 2012-18 (%)	3.7%	10.4%
Change in GVA 2012-18 (%)	13.1%	9.7%
Change in productivity 2012-18 (%)	9.1%	-0.6%

Source: Cambridge Econometrics and ONS

- 2.19 Regarding the data, the following points are noted:
- employment growth in the city region has been stronger than forecast. In aggregate terms, there were some 103,000 more jobs in the city region in 2018 than forecast in the baseline projections, with above forecast employment growth reflecting the national trend over this period. More than half of the additional jobs created across the wider Yorkshire & Humber geography were created in Leeds City Region.
 - by contrast, actual GVA growth has been slightly slower than forecast; actual GVA growth in LCR over 2012-18 was 3.4 percentage points lower than forecast in the baseline projections. Although LCR's GVA growth was slightly higher than the Yorkshire and Humber average, it was lower than the UK. The main driver of the underperformance was Electricity, Gas and Water, Information and Communications, and Government Services which together account for about 30% of GVA within the Leeds City Region. The remaining industries performed roughly in line with the forecast.
 - baseline projections expected positive productivity growth in the region, but actual growth was negative; growth underperformed forecasts across all sectors except for

Mining and Quarrying and Other Services. Nevertheless, LCR performed slightly better than the Yorkshire and Humber average in terms of productivity growth.

Implications for the evaluation

- 2.20 The analysis indicates mixed economic performance in the city region compared with expectations, with stronger than forecast employment growth alongside negative productivity growth. However, performance in the city region has largely tracked national trends over this period, with stronger than expected employment growth and lower GVA (and so implications for productivity). Furthermore, performance in the City Region has been stronger than the wider region, with regards to both GVA and productivity growth.
- 2.21 As may be expected in a diverse city region economy, there have been sectoral variations in performance compared to the baseline projections, with construction performing strongly against forecast with regards to GVA growth and employment, but below expectations with regards to productivity. Across all indicators, Mining and Quarrying has performed strongly against expectations. Performance across these sectors may have some implications in terms of access to labour and the supply of raw materials for the delivery of WY+TF interventions over this period.
- 2.22 With the exception of negative productivity growth, the analysis does not indicate that the performance of the economy has been materially different to what was anticipated at the time that the City Deal and Infrastructure Fund was agreed that would influence wider progress in delivery and impact at this stage. If anything, the higher number of people in employment is likely to mean higher commuting flows and so more pressure on the transport infrastructure. This enhances the case for the WY+TF investments, but may also mean that their impact on overall congestion is harder to observe.

3. Overview of the Investment Fund

Coverage of the Investment Fund

Scope	
Maximum value of fund	£1bn
Length of fund	20 years
Number of interventions in scope of the evaluation	19 (a further 35 interventions are also covered by the Fund but not within scope of the evaluation)
Value of interventions in scope of the evaluation	£241m Investment Fund (i.e. WY+TF) At least £257m total (additional match funding may be secured)
Funding type	Capital
National Evaluation Framework Thematic coverage	
Transport	Yes
People	No
Infrastructure	No
Enterprise & Innovation	No
Other	No

Strategic overview of Fund approach and model

- 3.1 The West Yorkshire Plus Transport Fund covered by the evaluation of Local Growth Interventions is a key part of the Leeds City Region Growth Deal. The Transport Fund is a 20-year, £1 billion fund, which was agreed in 2014 and became operational in 2015. The aims of the Fund are to:
- unlock and enable growth in existing employment sites and open up new sites allocated for employment and housing
 - increase the productivity of businesses by reducing transport costs, expanding labour catchments and expanding the number and range of accessible employment opportunities
 - improve access and connectivity to employment, skills and business opportunities
 - and facilitate the move towards a resource smart City Region by reducing the carbon impact of transport and encouraging sustainable land use growth.
- 3.2 In developing the Fund programme, around 120 interventions were initially considered on a 'longlist', and prioritised using modelling developed in line with the WYCA Single Appraisal Framework.¹⁴ This prioritisation process identified 33 capital interventions to be supported

¹⁴ Using the West Yorkshire Urban Dynamic Model and Yorkshire and Humber Regional Econometric Model

potentially by the Transport Fund. Following this, there were some changes as interventions progressed through the Business Case process. For example, some of the corridor improvement programmes were split into discreet sub-interventions, increasing the number of interventions to 54.

- 3.3 There are five main areas of transport infrastructure being supported by the Fund:
- radial improvements, focused on public transport solutions that allow more people to travel into urban centres quickly and affordably (e.g. rail station gateways, parking and bus packages).
 - ring road improvements that allow efficient movement of goods and people around urban centres (e.g. York Northern Outer Ring Road improvements, Wakefield Eastern Relief Road).
 - transformation of key development areas (e.g. Aire Valley, Leeds; Shipley Canal Road Corridor, Bradford; Cooper Bridge, Kirklees; East Wakefield).
 - improved motorway access (e.g. Halifax-Huddersfield A629 corridor and motorway access improvements)
 - improvements between major centres to ensure high capacity, modern, fast and attractive connectivity (e.g. Leeds-Bradford; Huddersfield-Halifax).
- 3.4 Most of the interventions are classified as “improved connectivity” Primary Intervention Areas under the National Evaluation Framework¹⁵.
- 3.5 The Fund, which is central to the Leeds City Region Growth Deal, is expected to generate around 18,000 additional jobs in West Yorkshire and increase GVA output by £1.2 billion per annum by 2036. A further 2,000 new jobs are expected in York creating an additional £130 million in annual GVA output¹⁶.

Interventions in scope of the evaluation

- 3.6 The evaluation to inform the first Gateway Review is focused on interventions that had been approved formally within the first Gateway Review period, and where significant Fund expenditure¹⁷ has been incurred (potentially in full). In practice, to allow sufficient time for evidence on progress of delivery to emerge, to inform the evaluation, this meant interventions that commenced delivery and expenditure before December 2018.
- 3.7 Within these criteria, 19 interventions were identified by SQW in discussion with WYCA as being within scope of the evaluation¹⁸. These interventions are summarised in Table 3-1. They are grouped according to the four logic models developed in the Locality Framework,

¹⁵ Two interventions not within scope of the evaluation is classified as “transport systems” and “access improvements to sites and premises” primary intervention areas

¹⁶ WYCA (2014), West Yorkshire Plus Transport Fund - Overview and Prospectus

¹⁷ i.e. expenditure from WY+TF monies on an intervention *after* the formal intervention programme/approval stage. This includes preparation/design/planning work that is incurred after approval, but does not include pre-approval expenditure, for example on appraisals or business case development.

¹⁸ Based on expectation of spend profiles at the time.

reflecting the relationships between individual interventions across the Fund and similar activity types.

- 3.8 The 19 interventions within scope of the evaluation are expected to spend £138m by the first Gateway Review (Q4 2019/20). The remaining 35 interventions covered by the WY+TF are expected to incur £60m over this period, with an average budget of £1.7m per intervention; they range from £60k to £20.5m in size.

Table 3-1: Interventions covered by the evaluation to inform the first Gateway Review

Intervention	Summary	Investment Fund allocation, total lifetime (£m)
Leeds		
Leeds Station Gateway - New Station Street	Creation of additional pedestrian space at the entrance to Leeds Station and incorporating a charging point for electric taxis	2.12
Aire Valley, Leeds Integrated Transport Package – Phase 1: Aire Valley P&R ¹⁹	Creation of a 1,000 space park & ride in the Aire Valley Enterprise Zone (next to J45 of the M1) including bus priority measures, electric vehicle charging points, bicycle parking, site building for customer waiting and bus operator site office	9.60
East Leeds Orbital Road (ELOR)	Four parts of the package: <ul style="list-style-type: none"> The new 7km East Leeds Orbital Road (ELOR) - dual carriageway route with orbital pedestrian and cycle infrastructure Outer Ring Road (ORR) Junction Improvements – work on four junctions of the existing ORR A6120 enhancements to public realm, cycling and walking environment. Likely to include speed limit changes, gateway treatments, additional pedestrian/cycle facilities/crossings Manston Lane Link Road enhancements next to Thorpe Park 	82.89 ²⁰
Wakefield – Castleford – York		
Rail Parking Package - South Elmsall	Upgrading of railway station car park to provide 49 spaces, install CCTV and LED lighting, and improve the public realm.	0.61
Rail Parking Package - Fitzwilliam Country Park	Upgrading of railway station car park to provide 103 spaces, install CCTV and LED lighting, and improve the public realm.	0.49
Rail Parking Package – Normanton	Upgrading of railway station car park to provide 134 spaces, install CCTV and LED lighting, and improve the public realm.	1.44
Wakefield City Centre Package: Phase 1 Kirkgate	Road and public realm improvements including: storm water flood storage facility, new traffic signalling at roundabout/junctions, carriageway	5.56

¹⁹ The Aire Valley Park and Ride is known locally as the Temple Green Park and Ride.

²⁰ Note, the lifetime budget for this intervention has increased to £90.33m, which will be subject to WYCA approval in October 2019.

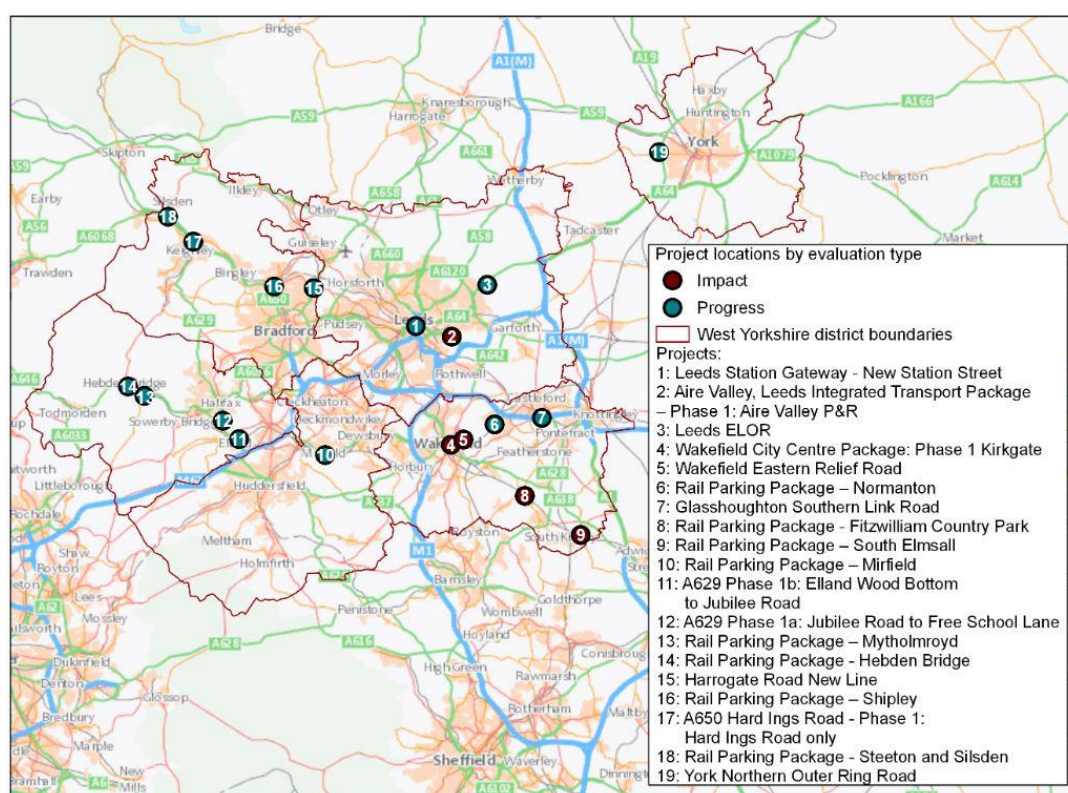
Intervention	Summary	Investment Fund allocation, total lifetime (£m)
	widening/improvements, and other public realm, landscaping and CCTV improvements	
Wakefield Eastern Relief Road	A new single carriageway highway between the A638 Doncaster Road to the south and the A642 Aberford Road to the north, including segregated cycle lanes and footpaths, street lighting, new bridges over a river and under a railway line, drainage and green infrastructure.	37.59
York Northern Outer Ring Road	Upgrades to the existing York Outer Ring Road roundabouts between the Wetherby Road and Monks Cross junctions to improve journey time reliability, reduce congestion and improved access to new housing developments.	38.28
Glasshoughton Southern Link Road	A new carriageway, with footways and a segregated cycle route, from the roundabout at Whistler Drive / Colorado Way, extending the existing Whistler Drive, and linking to the Coalfields Link Road at Flass Lane.	7.32
Halifax – Huddersfield		
Rail Parking Package - Hebden Bridge	Upgrading of railway station car park to provide 45 spaces, install CCTV and LED lighting, and improve the public realm.	0.75
Rail Parking Package – Mytholmroyd	Upgrading of railway station car park to provide 203 spaces, install CCTV and LED lighting, and improve the public realm.	3.64
Rail Parking Package - Mirfield	Upgrading of railway station car park to provide 25 spaces, install CCTV and LED lighting, and improve the public realm.	0.30
A629 Phase 1a Jubilee Road to Free School Lane	A629 corridor upgrade. Phase 1a covers realignment and widening of A629 from Jubilee Road in the south to Free School Lane/Skircoat Road in the north, including new/improved junctions, diversion of utilities, traffic calming, crossings and cycle paths.	8.35
A629 Phase 1b Elland Wood Bottom to Jubilee Road	Similar to above, but covering the Elland Wood Bottom to Jubilee Road section of road.	18.90
North Bradford		
Rail Parking Package – Shipley	Upgrading of railway station car park to provide 116 spaces, install CCTV and LED lighting, and improve the public realm.	2.55
Rail Parking Package - Steeton & Silsden	Upgrading of railway station car parks to provide 104 spaces, install CCTV and LED lighting, and improve the public realm.	3.53
A650 Hard Ings Road - Phase 1: Hard Ings Road Only	Improvements to the highway network capacity/operation, including land acquisition, upgrading the carriageway and improving associated junctions, provision of pedestrian and cycling facilities.	10.25

Intervention	Summary	Investment Fund allocation, total lifetime (£m)
Harrogate Road / New Line Road	Upgrade of existing major crossroad, including land acquisition, traffic signal junction upgrade and associated highway improvements, provision of dedicated cycling facilities.	6.77
Total		240.94

Source: Locality

3.9 The spatial location of the interventions across the City Region is shown in Figure 3-1. The map indicates whether an intervention has been covered by impact evaluation or progress evaluation.

Figure 3-1: Spatial distribution of interventions across the WY+TF geography



Source: Produced by SQW 2019. Licence 100030994. Contains OS data © Crown copyright [and database right] [2019]

Evaluation approach

3.10 The remit of the National Evaluation Panel is to provide evidence on the impact of the Funds in delivering local growth outcomes. However, as noted in Section 1, in some cases it was considered too early to evidence impacts at this evaluation stage. Two different approaches have been adopted in the evaluation.

- **Impact evaluation** – five of the more advanced WY+TF interventions were selected for more detailed analysis and research with key stakeholders and businesses to assess the extent to which the investments were achieving the anticipated outcomes and impact. These interventions were Aire Valley Park and Ride, Wakefield City

Centre Package: Phase 1 Kirkgate, the Wakefield Eastern Relief Road (WERR), and the South Elmsall and Fitzwilliam Rail Parking interventions²¹.

- **Progress evaluation** – for earlier stage WY+TF interventions, progress has been assessed based on monitoring data, consultations with project managers and in some cases wider stakeholders. All 19 interventions including the five impact interventions have been subject to progress evaluation.

²¹ Note: there are three impact reports in total: Aire Valley Park and Ride has a stand-alone impact report; the Wakefield City Centre Package: Phase 1 Kirkgate and the WERR interventions are covered by one impact evaluation; and the South Elmsall and Fitzwilliam Rail Parking interventions are covered by one impact evaluation.

4. Assessment of progress

- 4.1 This section provides a summary of the delivery progress of the WY+TF in terms of planned and actual project expenditure and outputs. As set out in the Evaluation Plan, it was agreed with the Locality that the evaluation work would focus on those interventions that were likely to be most advanced by 2019. Therefore, the main emphasis of the progress review is on the 19 interventions that fall within the scope of the evaluation. However, for completeness, the evaluators have also analysed expenditure covering all 54 WY+TF interventions. Where the analysis compares planned with actual expenditure, the targets are based on forecasts produced by WYCA in October 2018 (that were included in the Baseline and One Year Out reports).
- 4.2 A more detailed analysis of progress is presented in the underpinning Progress Evidence Paper.

Key messages from the progress evaluation research

- The 19 interventions within the scope of the evaluation had spent £107.1m of WY+TF investment by the end of Q1 2019/20. All 54 interventions covered by the whole Fund had spent £127.7m of WY+TF investment by this stage. In both cases, expenditure is above expectations, and the Fund is on track to spend the £30m per annum Government grant allocation for the first five years by the end of the 2019/20 financial year. This is an impressive achievement given the starting point of many partners involved (particularly in terms of capacity and experience) and the newly created Combined Authority at the outset.
- The 19 interventions within scope of the evaluation accounted for 84% of total Fund expenditure by the end of June 2019. The five interventions covered by impact evaluation represented 48% of spend across the 19 interventions within scope of the evaluation by this stage.
- Seven of the 19 interventions within scope are complete, broadly meeting expenditure and output targets. Of this group, two were delivered on time, and five experienced minor delays. Despite this, all are on track to deliver against their original objectives.
- The delivery of 12 of the 19 interventions is on-going. In this group, there is considerable variation in progress and performance against expenditure targets. Some interventions are still undertaking feasibility/preparatory works, others are under construction. All interventions have experienced delays. Expenditure on six interventions was above expectations at Q1 2019/20, and for five interventions spend was less than expected.
- Factors that have enabled the delivery of interventions include strong and effective partnership working, close alignment with local strategies/masterplans, effective management and fixed external drivers (such as significant tourism events). There has also been a considerable amount of learning and experience gained across delivery partners (as

discussed in Section 6) which has helped to accelerate progress over the last 18-24 months.

- Factors causing delays across many interventions have been typical construction issues, land remediation/access, contractor issues, extended feasibility/design periods and some issues working with third parties, including Network Rail and site tenants.

Overview of progress

Expenditure across the 19 interventions within scope of the evaluation	
Anticipated expenditure by end-June 2019	£89.0m Investment Fund/WY+TF
Actual expenditure by end-June 2019	£107.1m Investment Fund/WY+TF
Investment Fund expenditure as % anticipated	120%
Status of interventions	
Interventions completed by end-June 2019	7
Interventions classified as on-going at end-June 2019	12

Expenditure

- 4.3 Across the 19 interventions within scope of the evaluation, project managers and WYCA reported (in October 2018) an anticipated WY+TF expenditure of £89.0m by Q1 2019/20, out of a total **planned expenditure on the 19 interventions by the end of the first five years of the Fund of £137.95m.**²²
- 4.4 Figure 4-1 presents the overall pattern of planned and actual WY+TF expenditure for the 19 interventions in scope over the period covered by the evaluation (Quarter 1 2015/16 to Quarter 1 2019/20). This shows that by Q1 2019/20, **actual expenditure was £107.1m, representing 120% of the anticipated expenditure by this stage.** Expenditure was higher than anticipated due to spend that had been brought forward within the Gateway Review 1 period, as well as higher than expected development costs on some interventions. In addition, £14.2m in private match funding had been secured.
- 4.5 At an intervention level:
- **The highest spending interventions to date have been the WERR and Leeds ELOR (£35.9m and £23.0m respectively);** together these interventions account for over half of total WY+TF expenditure to date.
 - The seven completed interventions were delivered broadly on budget²³. However, there is considerable variation in the position of interventions still underway: by Q1

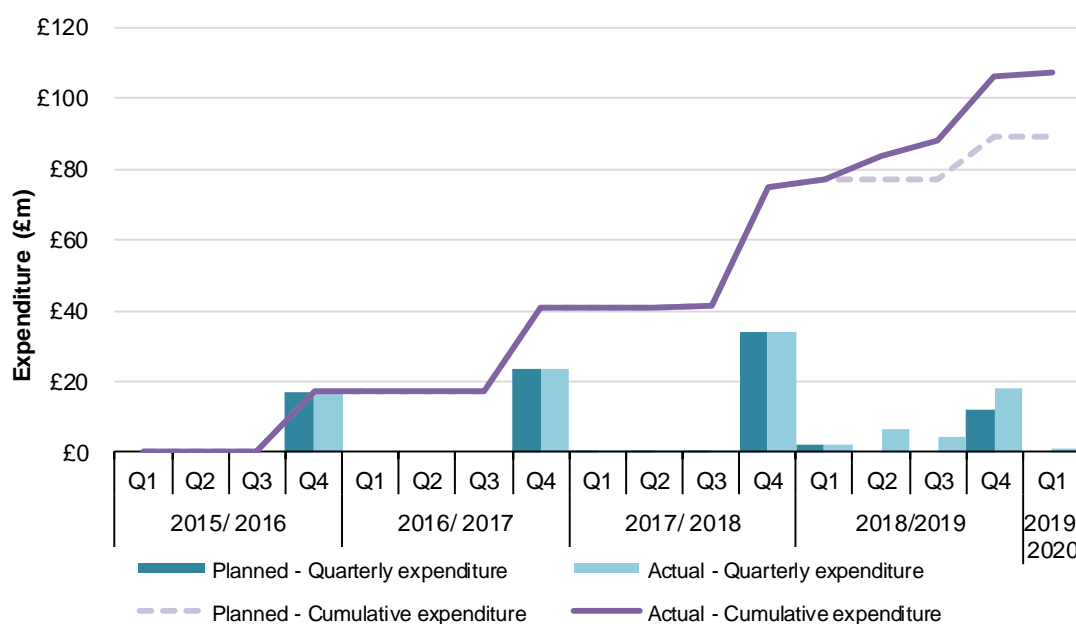
²² i.e. to Gateway Review 1 and the end of 2019/20 financial year

²³ One intervention has under-spend due to un-used contingencies

2019/20, expenditure on six of these interventions was higher than expectations (due to bringing forward budget and/or over-spend); and for five interventions²⁴ expenditure was lower than expected (largely due to delays, see below)²⁵.

- 4.6 It is important to note that the Locality encountered challenges in forecasting intervention expenditure during the early years of the programme, leading to ongoing reprofiling and difficulties for WYCA in tracking spend. The Combined Authority acknowledged that expenditure forecasts made by project managers prior to, and in, 2017 were optimistic and aspirational. For example, in 2016, project managers had estimated spend of £390m by March 2020 across all WY+TF interventions. More realistic forecasts were produced in October 2018, with **an anticipated spend across all interventions of £197.6m by March 2020**. These revised forecasts are the source used for all targets quoted in this Section. As noted in the Section 6, there are a number of factors that led to the over-optimistic forecasts during the early years of the Fund, including pressure from Central Government to front-load expenditure, political pressure locally to be ambitious (linked to the competitive nature of the Fund), limited experience of some partners in developing/delivering interventions of this scale, and the complex nature of some interventions involved (together with associated inter-dependencies relating to partners, risk etc). However, WYCA and partners are now much better placed to develop more realistic and accurate forecasts looking forward.

Figure 4-1: WY+TF planned and actual expenditure (Quarter 1 2015/16 to Quarter 1 2019/20) across 19 interventions within scope of the evaluation



Source: SQW analysis of LCR monitoring workbook (completed by WYCA). Note, this excludes match funding; also the bars for 2015/16 to 2017/18 show expenditure reported as spend at the end of the financial year rather than quarter by quarter. In practice, spend has built up more gradually than is presented here.

- 4.7 According to forecasts produced in October 2018, just over one third of the budget for the first five year period was expected to be spent in the final three-quarters of 2019/20. In part this

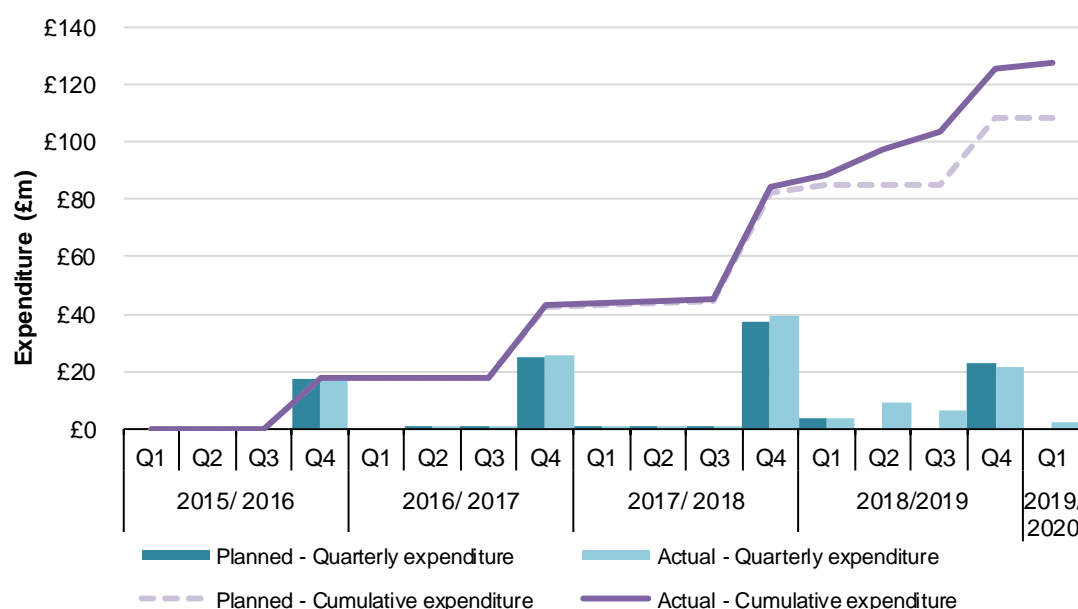
²⁴ This includes Normanton. Whilst no expenditure was expected by Q1 2019/20, the intervention is substantially delayed and under-spend is imminent. In this context, a conclusion that spend was “on track” would be misleading for this intervention.

²⁵ A further one intervention (Shipley Rail Parking) has not yet incurred any spend, as expected by Q1 2019/20.

is explained by invoicing occurring at the end of the financial year, after construction works had taken place, as well as the expectation that delivery would ramp up towards the end of the first five years. As noted above, by Q1 2019/20, actual expenditure across the 19 interventions in scope was £107.1m, which means that a further £30.9m of expenditure is required to meet expectations by Gateway Review 1 (£137.95m). An analysis of the 12 interventions currently underway suggests that the **Fund should reach or be very close to this target by March 2020** (see Progress Evaluation Evidence Paper for further details).

- 4.8 Total expenditure across all 54 WY+TF interventions was £127.7m by Q1 2019/20, which represents 118% of target by that point (i.e. a target of 108.4m). Expenditure for all 54 interventions is presented in Figure 4-2. Since the reprofiling in October 2018, there has been some divergence between actual and planned expenditure, particularly in the final three quarters of 2018/2019, where actual spend has tracked above targets. This has been driven largely by the 'in scope' interventions, for the reasons explained above.

Figure 4-2: WY+TF planned and actual expenditure (Quarter 1 2015/16 to Quarter 1 2019/20) across all 54 interventions covered by the Fund



Source: SQW analysis of LCR monitoring workbook (completed by WYCA)

- 4.9 With a total spend of £127.7m by Q1 2019/20 across all 54 interventions, the WY+TF is on track to spend (and should exceed) the nominal £30m per annum grant allocation for the first five years of the Fund. This is an impressive achievement given the starting point for many of the partners involved in delivering interventions (particularly in terms of capacity and experience) and the newly created Combined Authority at the outset (see Section 6 for further discussion).

Out-turn of completed interventions

Summary overview

By the end of June 2019, seven of the interventions supported by the Investment Fund had been completed. A detailed assessment of each intervention against the five Progress Evaluation Research Questions is set out in the accompanying Progress Evaluation Evidence Paper. A summary of the evidence across these interventions is set out in the table below.

Number of interventions: Seven	
Was expenditure on budget?	
Yes	No
Aire Valley Park and Ride Wakefield City Centre Package: Phase 1 Kirkgate Wakefield Eastern Relief Road A629 Phase 1a: Jubilee Road to Free School Lane South Elmsall Rail Parking Fitzwilliam Rail Parking	Mirfield Rail Parking
<ul style="list-style-type: none"> Mirfield Rail Parking was delivered under-budget due to contingency budget not being required. 	
Were agreed delivery milestones met?	
Yes	No
Wakefield Eastern Relief Road Mirfield Rail Parking	Aire Valley Park and Ride Wakefield City Centre Package: Phase 1 Kirkgate South Elmsall Rail Parking Fitzwilliam Rail Parking A629 Phase 1a: Jubilee Road to Free School Lane
<ul style="list-style-type: none"> The Aire Valley Park and Ride site opened in June 2017, three months after the target date of March 2017. The delays were attributed to what were described by the project manager as 'routine construction delays' (e.g. snagging and completion of landscaping). An additional issue was that Carillion, the supplier for the design of the site building, went into administration shortly after being appointed. The design work was substantially completed before Carillion's administration and a bond allowed the work to be completed without any financial consequences to the Council. The Wakefield's WERR and Kirkgate interventions were opened in April 2017 and August 2018 respectively, as planned. The construction of Kirkgate started later than anticipated, but interim milestones were met during the construction period on both interventions, with only minor and "typical" construction challenges encountered. This was a major achievement, particularly given the scale of the WERR. The Mirfield Rail Parking interventions was relatively small-scale and straight forward, and delivered on time. Construction at South Elmsall Rail Parking was delayed but once on site it was delivered to plan. Where interventions did not meet all agreed delivery milestones, this was predominantly due to delays caused by construction and land remediation issues, land access, contractor issues, and extended feasibility/design periods. Delays were generally minimal (up to three months). 	
Were anticipated outputs delivered as anticipated ...	
Yes	No

<p>Aire Valley Park and Ride Wakefield City Centre Package: Phase 1 Kirkgate Wakefield Eastern Relief Road A629 Phase 1a: Jubilee Road to Free School Lane South Elmsall Rail Parking Fitzwilliam Rail Parking Mirfield Rail Parking</p>	
<ul style="list-style-type: none"> • All completed interventions met their anticipated output targets. • In aggregate, these interventions delivered 19km of new pedestrian and cycle routes, 9.2km of new/improved roads, 16 new/improved junctions, 8,000m of utility infrastructure, 14 electric vehicle charging points, 1,175 car parking spaces and 2,700sqm of public realm improvements. • The evaluators estimate that c.840 construction years have been created by completed projects²⁶. Most of these – nearly 500 construction years – have been generated by the WERR reflecting the scale of investment in that intervention. 	
<p>Were intermediate outcomes delivered as anticipated ...</p>	
<p>Yes</p>	<p>No</p>
<p>Aire Valley Park and Ride Wakefield City Centre Package: Phase 1 Kirkgate Wakefield Eastern Relief Road A629 Phase 1a: Jubilee Road to Free School Lane South Elmsall Rail Parking Fitzwilliam Rail Parking Mirfield Rail Parking</p>	
<ul style="list-style-type: none"> • A range of outcomes have been reported across the interventions above, in terms of improved traffic flow and reduced journey times, ease of travel/increased choice, and some evidence of expanded labour markets, which is broadly in line with what was expected by this time. • The Aire Valley Park and Ride has brought direct benefits to users in terms of transport choice, convenience, reduced journey times and reduced costs. The scheme has brought marginal benefits to business from enhanced workforce accessibility and improved business productivity. There were positive demonstration effects associated with the intervention: it helped build confidence to take forward similar interventions elsewhere. • Early evidence suggests the Wakefield's Kirkgate and WERR interventions have improved traffic outcomes (leading to improvements in safety and air quality, and minimal impacts on business performance), unlocked land for housing and commercial development, and increased the accessibility of employment opportunities (including across the wider city region). In Kirkgate, the scheme has significantly improved the quality of the public realm and green space, and the business environment. A629 Phase 1a has also led to improved traffic flow and reduced congestion, with anecdotal evidence suggesting this has reduced journey times and encouraged more cycling along the route. Wider benefits for the A629 corridor as a whole will become more evident once subsequent phases 1b to 5 are completed. • Occupancy at the South Elmsall and Fitzwilliam car parks is high. Roadside parking has been alleviated, although remains an issue in Fitzwilliam. There is a strong improvement in rail user satisfaction and perceptions of safety at both stations. Passenger numbers show a decline at the stations between 2017/18 and 2018/19, but this is driven by significant issues with Northern Rail timetable changes and strikes in 2018/19, so it is not yet possible to assess impacts on rail passenger numbers. There is also evidence of shorter and more reliable journeys, modal shift (more so at South Elmsall), and improved accessibility of employment opportunities across the 	

²⁶ Based on total actual WT+TF expenditure and Government benchmark figures for the number of construction years of employment per £1m of infrastructure spend (Source: HCA (2015) Calculating Cost Per Job Best Practice Note).

City Region (in Fitzwilliam). Anecdotal evidence also indicates that Mirfield has partly alleviated congestion, although demand remains greater than supply of spaces.	
Do interventions remain on course to deliver against their original objectives?	
Yes	No
<p>Aire Valley Park and Ride</p> <p>Wakefield City Centre Package: Phase 1 Kirkgate</p> <p>Wakefield Eastern Relief Road</p> <p>A629 Phase 1a: Jubilee Road to Free School Lane</p> <p>South Elmsall Rail Parking</p> <p>Fitzwilliam Rail Parking</p> <p>Mirfield Rail Parking</p>	<ul style="list-style-type: none"> The evidence suggest that the Aire Valley Park and Ride remain on course to deliver against its original objectives in terms of improving connectivity in Leeds. It has brought direct benefits to users and marginal benefits to business. However, the traffic counters show no reduction in traffic volume on the route into the city. The Park and Ride has had a limited effect to date in the Enterprise Area, and attributed benefits are largely for Leeds city centre. In practice, the direct effect of Temple Green Park and Ride on the processes of land-use planning and development in the surrounding area are likely to be very limited given the type of intervention and its scale. Based on evidence gathered to date, the Wakefield's Kirkgate and WERR interventions appear to be on track to deliver against their original objectives, both in terms of transport/congestion and economic benefits. However, as set out in the impact evaluation section, the timetable to bringing forward land developments might be somewhat ambitious in the case of Kirkgate. The South Elmsall and Fitzwilliam station car parks have already delivered against many of their objectives. It is reasonable to expect that improvements to parking capacity, rail user satisfaction and the local environment will continue to benefit South Elmsall in future, which in turn may encourage more people to use the rail services over time. However, in a context where demand for parking is high and both car parks regularly reach capacity, there is a question as to where the capacity to accommodate additional "new to rail" users in future will come from.

Intervention level

- 4.10 The outputs generated by interventions, any delivery issues encountered and how/if they were addressed is set out in Table 4-1. Further details are provided in the Progress Evaluation Evidence Paper. In addition to the outputs below, the evaluators estimate that the completed interventions have created 840 construction years through the construction works.

Table 4-1: Interventions level outputs and delivery issues – completed interventions

Intervention	Outputs generated	Delivery issues
Aire Valley, Leeds Integrated Transport Package – Phase 1: Aire Valley P&R	<ul style="list-style-type: none"> 1,000 park and ride spaces created 6 bicycle parking spaces 14 electric vehicle charging points 	<ul style="list-style-type: none"> The scheme opened three months later than expected due to what were described by the project manager as 'routine construction delays' associated with snagging and completion of landscaping
South Elmsall Rail Parking	<ul style="list-style-type: none"> 49 rail parking spaces created 	<ul style="list-style-type: none"> Multiple design revisions in discussion with Network Rail, which led to some reported confusion amongst residents. For subsequent rail parking interventions, resident engagement has taken place later once plans are further developed. The design needed to be amended due to the close proximity of

Intervention	Outputs generated	Delivery issues
Fitzwilliam Rail Parking	<ul style="list-style-type: none"> 103 rail parking spaces created 	<ul style="list-style-type: none"> parked cars to a transponder, which delayed the start date. The design of drainage solutions took longer than anticipated, which delayed the feasibility phase and subsequent completion.
Wakefield City Centre Package: Phase 1 Kirkgate	<ul style="list-style-type: none"> 1.2km of carriageway with reduced flood risk 1.2km of road enhanced 5,700 sqm of public realm enhanced 8 junctions improved 	<ul style="list-style-type: none"> Traffic management was a challenge given the high volume of pedestrian and vehicle traffic using the area during construction. To minimise disruption construction was undertaken outside of peak times and works were carefully sequenced by the Council (the WERR was complete before construction at Kirkgate began). Minor construction challenges (e.g. presence of asbestos) were encountered; this was described as 'as expected with this type of scheme' by the project manager.
Wakefield Eastern Relief Road (WERR)	<ul style="list-style-type: none"> 16.5km of pedestrian/cycle routes created 5 new junctions 5.5km of new road developed 5,500m of utility infrastructure installed 	<ul style="list-style-type: none"> With the exception of minor and what were described as "typical" construction challenges by the project manager, no major delivery issues were encountered by this intervention.
Mirfield Rail Parking	<ul style="list-style-type: none"> 25 rail parking spaces created 	<ul style="list-style-type: none"> No issues encountered during delivery.
A629 Phase 1a Jubilee Road to Free School Lane	<ul style="list-style-type: none"> 2.5km of pedestrian/cycle routes created 2.5km of road enhanced 0.78km of additional lane capacity 2.5km of resurfaced roads 3 junctions improved 2,500m of utility infrastructure installed. 	<ul style="list-style-type: none"> The intervention experienced delays in land access (due to final land signatory and sitting tenancy dispute), and minor delays due to additional re-alignment of utilities, creating additional drainage and digging into Salterhebble Hill where uncharted stone culverts from the industrial revolution were discovered.

Source: SQW, based on monitoring data and consultations with project managers

Discussion

- 4.11 Overall, the completed interventions have been successfully delivered, **meeting expenditure and output targets**. Two of the seven interventions delivered all milestones on time and did not encounter any significant delivery challenges. This included the WERR, the largest intervention that was expected to be delivered in full during the Gateway Review 1 period. The other five interventions encountered **some minor slippage** in the timetable (mostly no more than three months). The main causes of delays related to construction and land remediation issues, land access, contractor issues, and extended feasibility/design periods. These interventions have also demonstrated a number of strengths that have contributed to successful delivery, including:

- **Strong and effective partnership working** between Councils and external partners (especially the private sector in the case of the WERR for example), which facilitated delivery but also absorbed considerable time and resource (as discussed further in the Capacity Development and Partnership Working Evidence Paper).
 - **Close alignment with local masterplans**, which has helped to ensure that interventions are part of well-defined plans with local drive to deliver
 - **Continuity of staff and experienced management teams within Local Authorities. and at WYCA.** At Aire Valley P&R, this continuity has enabled Leeds City Council to benchmark and assess success, learn from experience and build confidence in making the case for similar interventions elsewhere in the city, and potentially across LCR.
- 4.12 There is emerging evidence that the Aire Valley Park and Ride, Wakefield Kirkgate and the WERR interventions are starting to deliver against their stated objectives in terms of traffic congestion and (where relevant) unlocking land, and the Aire Valley Park and Ride has contributed towards reducing traffic congestion as intended. The performance of these interventions is explored further in Section 5.

Progress of on-going interventions

Summary overview

- 4.13 By the end of June 2019, 12 of the interventions supported by the WY+TF were classified as on-going. However, as noted, above there is considerable variation within this group on the progress made:
- Construction has commenced for four interventions: A650 Hard Ings Road, Leeds Station Gateway (note, this scheme was then completed in September 2019), East Leeds Orbital Road (ELOR), and Glasshoughton Southern Link Road.
 - Preparatory/enabling works is being/has been undertaken on five interventions, with associated expenditure encountered to date: Harrogate Road New Line (main construction due to start early 2020), A629 Phase 1b (advance construction works starting Spring 2020), York Northern Outer Ring Road (the first phase of construction is complete, but subsequent works are on hold awaiting a DfT bid decision, see below), and Mytholmroyd and Hebden Bridge Rail Parking Packages (main construction starting late 2019 and Spring 2020 respectively).
 - Three remaining Rail Parking Packages have not yet incurred expenditure, but are currently undertaken design works or encountering issues regarding tenant relocation. Contracts for construction works are due to be in place for Steeton and Silsden by early 2020, followed by Normanton in April 2020 and then Shipley in September 2020.
- 4.14 A detailed assessment of the progress made by each intervention against the five Progress Evaluation Research Questions is set out in the accompanying Progress Evaluation Evidence Paper.

Number of interventions: 12	
Is expenditure on budget?	
Yes	No
<p>Shipley Rail Parking*</p>	<p>Harrogate New Line Road A650 Hard Ings Road A629 Phase 1b Leeds Station Gateway Leeds ELOR Glasshoughton Southern Link Road York Northern Outer Ring Road Mytholmroyd Rail Parking Steeton and Silsden Rail Parking Normanton Rail Parking Hebden Bridge Rail Parking</p>
<ul style="list-style-type: none"> *Shipley Rail Parking is on track, in so far as no expenditure was expected by Q1 2019/20 Expenditure by Q1 2019/20 was higher than expectations for six interventions (Harrogate New Line Road, A650 Hard Ings Road, Leeds Station Gateway, Leeds ELOR, Glasshoughton Southern Link Road, and York Northern Outer Ring Road). This was due to bringing spend forward, such as land acquisition, and/or over-spend on development costs. However, it is important to note that for two of these interventions, targets have been revised post-October 2018²⁷, and therefore the interventions are deemed to be on track against the latest (revised) targets. Expenditure by Q1 2019/20 was lower than expectations for five interventions (A629 Phase 1b, and Rail Parking at Mytholmroyd, Steeton and Silsden, Normanton, and Hebden Bridge), due to delays (see below). 	
Have agreed delivery milestones been met?	
Yes	No
	<p>Harrogate New Line Road A650 Hard Ings Road Leeds Station Gateway²⁸ Leeds ELOR A629 Phase 1b Glasshoughton Southern Link Road York Northern Outer Ring Road Mytholmroyd Rail Parking Shipley Rail Parking Steeton and Silsden Rail Parking Normanton Rail Parking Hebden Bridge Rail Parking</p>
<ul style="list-style-type: none"> All of the interventions encountered delays to some or all of their interim milestones during the process of development/feasibility or construction. However, in some cases it is important to note that plans have subsequently been revised and the intervention is now on track against revised timelines (e.g. the A650 Hard Ings Road intervention that was delayed by two years due to land acquisition issues but delivery is now underway and “on track” according to the revised timetable), or where delays were encountered during the development phase but subsequent construction is now deemed on track (e.g. ELOR). 	

²⁷ As noted above, the spend targets were revised by WYCA at this stage and then fixed for the remainder of the evaluation period,

²⁸ Note, this intervention was completed in September 2019.

<ul style="list-style-type: none">Delays have been caused for a number of reasons, including extended feasibility and design work, land acquisition and access difficulties (such as moving tenants, and associated complex legal and financial issues), and construction challenges. The length of delays varies: for example, the construction of the Glasshoughton Southern Link Road commenced three months late, some of the Rail Parking Packages are delayed by c.3-12 months for some of the Rail Parking Packages; and Leeds Station Gateway is now expected to be completed c.15 months behind the original schedule, in part due to contracting issues with Network Rail and amendments to the scheme design.		
Have anticipated outputs been delivered as anticipated ...		
Yes	No	
n/a	n/a	
<ul style="list-style-type: none">None of the interventions currently underway have formally reported on outputs as yet in the monitoring data. These will be recorded on completion. It is therefore not possible to comment on whether anticipated outputs have been delivered as anticipated. However, the Leeds ELOR intervention has reportedly delivered two junction improvements to date.		
Have intermediate outcomes been delivered as anticipated ...		
Yes	No	
n/a	n/a	
<ul style="list-style-type: none">It is too early to assess outcomes across these interventions		
Do interventions remain on course to deliver against their original objectives?		
Yes	No	Too early to say
Harrogate New Line Road A629 Phase 1b Leeds Station Gateway Leeds ELOR Glasshoughton Southern Link Road York Northern Outer Ring Road Mytholmroyd Rail Parking Shipley Rail Parking Steeton and Silsden Rail Parking A650 Hard Ings Road		Normanton Rail Parking Hebden Bridge Rail Parking
<ul style="list-style-type: none">For most of these interventions, the shape of the interventions has not changed and the objectives are not timebound. Therefore, whilst there have been delays, the interventions are believed to be on course to deliver against their original objectives (albeit at a later date).However, for three interventions, there have been some revisions to plans and delays, or there are ongoing significant challenges (such as tenant relocation, and complex legal and financial issues) that could influence performance against original objectives. Therefore, we conclude it is too early to assess whether they remain on course against objectives.		

Intervention level

- 4.15 The outputs generated by interventions, and any delivery issues encountered and how/if they were addressed are set out in Table 4-2. Further details are provided in the Progress Evaluation Evidence Paper.

Table 4-2: Interventions level outputs and delivery issues – on-going interventions

Intervention	Outputs generated	Delivery issues
Leeds Station Gateway – New Station Street	n/a	<ul style="list-style-type: none"> Contracting issues between the Combined Authority and Network Rail delayed the start of detailed design works, which was followed by more extensive design works than expected, further delaying progress. Tenders came in higher than expected, so intervention de-scoping/value engineering was also required.
Leeds ELOR	n/a	<ul style="list-style-type: none"> Procurement process took longer than expected (due to preferred contractor going into liquidation). Planning process costs greater than expected due to Public Inquiry and changes to scope.
Rail Parking Package – Normanton	n/a	<ul style="list-style-type: none"> Complex legal issues associated with the removal of Network Rail tenants, followed by the need to secure legal agreement with Network Rail relating to the serving of notice to the tenants.
York Northern Outer Ring Road	n/a	<ul style="list-style-type: none"> Discovery of a regionally significant archaeological find during preliminary works, alongside multiple risks occurring at a greater level than anticipated. There have also been difficulties acquiring the necessary land for the improvement works. The intervention may become part of a much larger scheme for dualling/grade separated junctions, proposals for which are currently with DfT for consideration. This has caused delays to some aspects of the scheme whilst awaiting a decision from DfT.
Glasshoughton Southern Link Road	n/a	<ul style="list-style-type: none"> Start of construction delayed due to issues relating to contractor's proposals for major earthworks. No other significant issues encountered.
Rail Parking Package – Hebden Bridge	n/a	<ul style="list-style-type: none"> Complex financial and legal issues encountered in the relocation of current tenant, and land contamination more substantial than anticipated on the site proposed for one relocated tenant (as a result, a design change has been required).
Rail Parking Package – Mytholmroyd	n/a	<ul style="list-style-type: none"> Difficulties accessing site to drill bore holes, caused by other non-related construction works at the train station. Also the Designer under-estimated the number of anchors required for a retaining wall, which required additional design work and funding approvals.
A629 Phase 1b Elland Wood Bottom to Jubilee Road	n/a	<ul style="list-style-type: none"> Delays incurred in finalising design, due to the need for additional ground checks for contaminants on the site. Also, some challenges in land acquisition.
Rail Parking Package – Shipley	n/a	<ul style="list-style-type: none"> Extended feasibility stage to establish the potential number of decks possible at the car park, followed by delays in securing design approval from Network Rail.
Rail Parking Package – Steeton and Silsden	n/a	<ul style="list-style-type: none"> Extended feasibility stage to establish the potential number of decks possible at the car park. Identified scope for one additional deck, which will deliver more spaces, and associated additional costs were approved by WYCA 10/10/2019.

Intervention	Outputs generated	Delivery issues
A650 Hard Ings Road – Phase 1: Hard Ings Road only	n/a	<ul style="list-style-type: none"> Intervention delayed, predominantly due to complex land acquisition and Compulsory Purchase Order (COP) issues. Also, development phase delayed due to discussions with utility companies regarding diversions.
Harrogate Road New Line	n/a	<ul style="list-style-type: none"> Delays encountered due to complex land issues, extensive consultation and CPO processes, and preparation for a Public Inquiry.

Source: SQW, based on monitoring data (outputs) and consultations with project managers (delivery issues)

Discussion

4.16 Overall, progress made by the “on-going” interventions is mixed and, for some interventions, behind what was anticipated. Of the 12 interventions:

- Six have spent ahead of profile according to monitoring data. This is viewed as a positive for three interventions where activity is taking place more quickly than expected, but for two interventions it is a result of further-spend on development costs as well as bringing the budget forward²⁹.
- Five are behind schedule in terms of expenditure, due to delays. Of these, the Rail Parking interventions are around 3-9 months behind schedule.
- One has not yet incurred expenditure, which is as anticipated.

4.17 The ongoing interventions have encountered a number of challenges in developing and delivering activities, which have implications for their performance against interim spend targets and ability to meet milestones as planned. These challenges have been recognised and addressed as they have arisen, but they have clearly had implications for on-going management as well as for the timing of outputs. In summary, the key issues that have been faced are as follows:

- **Financial profiling challenges.** As illustrated above, most of the ongoing interventions are above or below expenditure targets by Q1 2019/20, demonstrating the challenges in accurately profiling interventions that are often large-scale and complex, and/or faced with unexpected physical challenges. Also, as noted in Section 6, delivery partners have gained a considerable amount of experience through WY+TF interventions, and are now much better placed to develop realistic financial forecasts.
- **Land acquisition issues.** A considerable amount of resource has been invested in public engagement and consultation, addressing objections, preparing for potential public inquiries, and, in the case of some interventions, handling complex legal and financial issues associated with relocating existing occupants across a number of interventions (e.g. Harrogate Road/New Line, A650 Hard Ings Road, and Normanton and Hebden Bridge Rail Parking Packages). Dealing with large organisations such as Network Rail has at times been challenging, where intervention delivery is

²⁹ A further intervention appears to be exceeding target to date in the monitoring data, but the project manager believes spend is in line with expectations, based on a revised profile agreed post-October 2018.

determined by their internal processes and prioritisation, but some consultees felt this has improved through their involvement in WY+TF interventions.

- **Project design, including extended feasibility and preparatory phases.** Many of the interventions have encountered delays during feasibility and preparatory stages. This has been driven by a range of factors – some of which were unexpected and unknown, others were intentional. Examples include discovering plans were not fit-for-purpose, contractor bids being higher than anticipated forcing de-scoping and re-tendering, preferred contractors going into liquidation, or adapting to opportunities that complement wider investments (e.g. the DfT bid and York Northern Outer Ring Road). Also, during feasibility work, some interventions have identified opportunities to increase their impact by re-designing their scheme, or refining budget estimates to save costs where contractor bids have come in lower than anticipated. Many of the rail parking interventions were expected to be “quick wins” but continue to experience protracted feasibility issues, mainly due to complex legal and financial challenges associated with tenant relocation. For some interventions, slow preparatory phases have meant costs have crept up without necessarily reaching expected milestones.
- **Unexpected construction issues and site-specific constraints.** In the main, these have been minor construction challenges typically associated with interventions of this nature, such as unexpected asbestos removal, utilities, and drainage issues. Other challenging issues have included dealing with land contamination more severe than estimated (e.g. Hebden Bridge Rail Parking and A629 Phase 1b Elland Wood Bottom to Jubilee Road) and archaeological discoveries of regional significance during preliminary works for the York Northern Outer Ring Road.

4.18 Alongside the issues above, several factors have played an important role in progressing these interventions.

- Similarly to the completed interventions, **strong relationships with stakeholders** (e.g. York Northern Outer Ring Road) and **close and regular liaison with contractors** (e.g. ELOR) have been important to maintain momentum where possible and discuss/mitigate risks.
- There are also examples where interventions are a **key part of Local Plans, strategies, regeneration programmes and wider packages of transport investments**, which has helped to secure buy-in and commitment to the investments.
- Finally, **fixed external drivers have prompted action**. For example, Leeds Station Gateway experienced delays in agreeing the designs and starting the main construction works (these are now underway), but external pressure on Network Rail to deliver the scheme in advance of the World Cycling Championships in late September 2019 has accelerated progress.

5. Assessment of economic impacts

- 5.1 This section presents the key evidence from the impact evaluations of the Aire Valley Park and Ride, Kirkgate scheme and the Wakefield Eastern Relief Road (WERR), South Elmsall and Fitzwilliam Rail Parking packages. The detailed findings and our methodology are contained in the accompanying Impact Evaluation Evidence Papers.
- 5.2 It is important to reiterate that the interventions delivered to date are part of a longer-term strategic package, and that cumulative benefits, spillovers and synergies are expected to become more apparent as more interventions are implemented over the lifetime of the programme.

Key messages from the impact evaluation research

Aire Valley Park and Ride

The following key messages are highlighted from the impact evaluation of the Aire Valley/Temple Green Park and Ride (P&R) at the first Gateway Review stage.

- Strategic fit, and institutional and policy alignment at Leeds, LCR and national levels are strong, both for transportation (WY+TF) and economic development.
- The Park and Ride has had high and rising usage, and has brought direct benefits to users in terms of choice, convenience and reduced costs. The impact evaluation provides evidence on customer satisfaction, the increase in passenger numbers and reduced journey times.
- To date, access benefits have been more evident for Leeds city centre than to the EZ area. Improved two-way access is likely to become more important in coming years.
- In a context of increasing traffic flows from east Leeds and growing congestion in the city centre, the P&R has helped to reduce traffic volumes below what they would otherwise be, but only at the margin.
- There are gaps in the data available on the volumes of traffic and the displacement / modal shift resulting from the P&R. Changes elsewhere in the strategic transport network will have an impact on the traffic flows.
- Investment in the Park and Ride is seen as a success. This is evident as consultation and planning is now underway for a 400-space extension.

Kirkgate and the WERR

The following key messages are highlighted from the impact evaluation of the Kirkgate and the Wakefield Eastern Relief Road at the first Gateway Review stage.

- Early evidence suggests the interventions have improved traffic and associated environmental outcomes in the area, in line with the interventions' objectives. This includes shorter and more reliable travel

times, improved safety and air quality, and increasing provision of buses and cycle routes. However, there has been some displacement of traffic to the north of the city centre, which was anticipated and is being addressed via a forthcoming scheme (A650 Newton Bar Corridor Improvement Programme due to be delivered by 2021). Without WY+TF, it would not have been possible to build the fully joined WERR, and as a result, critical transport-related outcomes would not have been possible (i.e. the road would not have provided an alternative route to travel through the city centre to relieve congestion).

- The improved travel outcomes are translating into economic impacts for some of the business surveyed, mainly in the form of improved productivity. There is also some evidence to suggest the WERR has increased the range and accessibility of employment opportunities.
- The WERR has rapidly unlocked land for housing (and some commercial) development on the City Fields site, and the WT+TF has increased the speed, scale and quality of development at this site. Private sector partners consulted argued that the scale and long-term certainty provided by the WY+TF was essential to give them confidence to invest in the area.
- The Kirkgate intervention has significantly improved the quality of the public realm and green space. It has also created platforms for development, with early signs this is starting to stimulate some investment interest and improve perceptions of the area as a business location. However, stakeholders recognise that wider regeneration still needs to take place in the area to fully realise visions for Kirkgate as a “gateway” to the city.
- The interventions have also led to wider strategic benefits including strengthened partnership working between the Council and private sector, and improved perceptions of the latter regarding Wakefield as a place to invest.

South Elmsall and Fitzwilliam Rail Parking

The following key messages are highlighted from the impact evaluation of the South Elmsall and Fitzwilliam Rail Parking interventions:

- The stations play an important role in City Region wide connectivity, with many survey respondents parking at the station to commute to Leeds and other urban areas. They serve some of the most deprived parts of the City Region and are included in Wakefield's “strategic transport link” and housing-led regeneration priority areas.
- There is encouraging evidence from surveys of users that the increased parking capacity has led to improvements in rail user satisfaction of the stations, improved perceptions of safety, and some changes in parking behaviour which has reduced the level of roadside parking in South Elmsall and Fitzwilliam

- Some of the users at Fitzwilliam felt that the expansion had improved the accessibility of employment opportunities and local services, after only one year of opening. Given the catchment for the station includes some of the most deprived neighbourhoods in England, this is an important outcome.
- Evidence on transport-related outcomes are modest at this stage, although this is not unexpected given the relative scale of the interventions, and significant “noise” influencing rail usage including strikes and changes to timetables following the opening of the schemes. This said, there is some evidence to suggest the interventions have shortened journey times (especially at Fitzwilliam) and improved journey reliability (especially at South Elmsall). With the stations used regularly for commuting, this is an important finding, with positive implications for productivity.
- There is also some evidence that the interventions have encouraged some modal shift, as users commute via rail instead of car, particularly at South Elmsall. The scale of this is modest at this stage, and data limitations preclude an assessment of the overall scale of this effect.
- It is unlikely that either car park would have been expanded without WY+TF, and there is evidence of outcome additionality particularly in terms of the improved rail user satisfaction of the stations, the local environment and improvements to journey times/reliability. Although there is some leakage – with car parking spaces used by individuals not using the stations – the evidence suggests that the parking situation would have worsened, or at best remained the same, without the car park extensions.

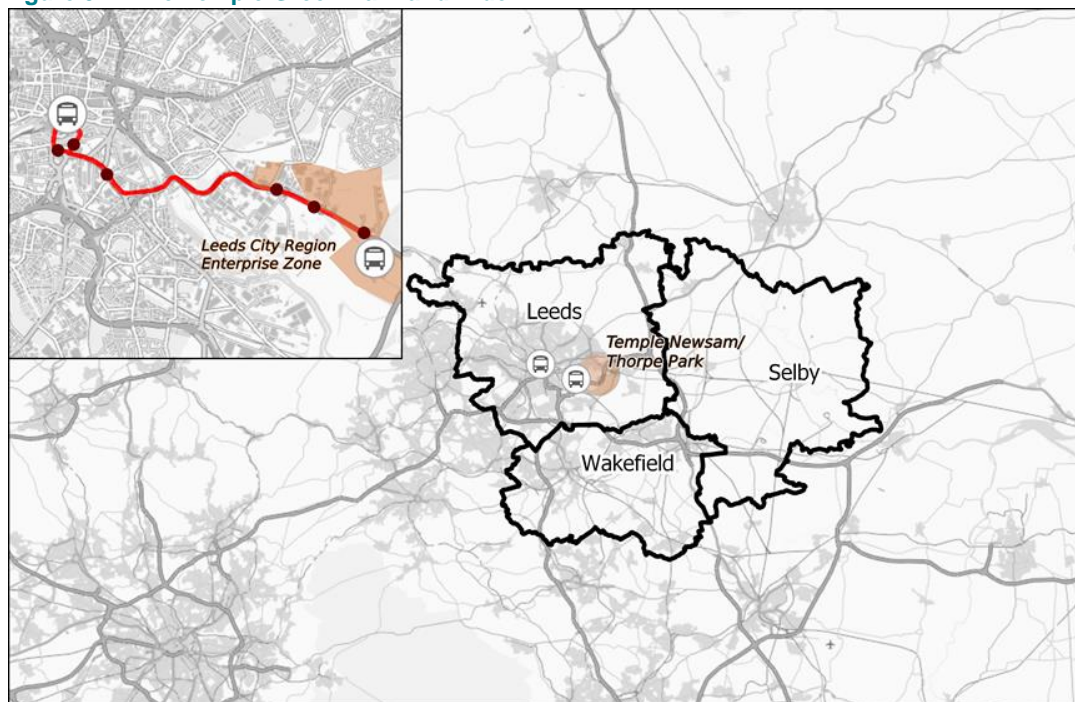
Impact evaluation 1: Aire Valley Park and Ride

Coverage and approach

- 5.6 Aire Valley Park and Ride, known locally as the ‘Temple Green Park and Ride’ is one of the three major WY+TF interventions in Leeds, together with the works at Leeds Rail Station and the East Leeds Orbital Road (ELOR). The scheme was designed to reduce congestion on the strategic highway network and reduce costs and time for commuter and other visitor journeys to Leeds city centre. It also aimed to ease pressure on the parking supply for Leeds city centre, and provide a public transport offer to Leeds Enterprise Zone which will support wider economic growth ambitions.
- 5.7 The scheme involved the construction of a 1,000 space car park, adjacent to the A63 Pontefract Lane (East Leeds Link Road) and close to junction 45 of the M1. A designed designated bus service runs two-way, connecting East Leeds and the Aire Valley Enterprise Zone, with the city centre. The scheme involved investment of £9.1m from the WY+TF, out of a planned lifetime total of £9.6m.
- 5.8 The Park & Ride seeks to serve an immediate catchment across outer-east Leeds, an arc including the Temple Newsam area and Thorpe Park (a major business park by the M1, which is now being reconfigured to include a major mixed-use extension), with potential reach well

beyond this - north towards Wetherby, south into Wakefield District and towards Barnsley, and east across the M1 to Selby and towards York.

Figure 5-1: The Temple Green Park and Ride



Source: Produced by SQW 2019. Licence 100030994. Contains OS data © Crown copyright [and database right] [2019]

5.9 The evaluation triangulates quantitative monitoring information and wider data available alongside qualitative feedback from consultees to understand the benefits of the Park and Ride at this stage on both users and the wider effects to business and the Leeds City Region economy. There have been three main challenges to this:

- First, the Temple Green P&R is an important part of major investments in the city region to increase the effectiveness and efficiency of the transport system. The ultimate success of the P&R is therefore about the extent to which it has facilitated movement into and around Leeds, in particular, travel-to-work. The focus of the impact evaluation has therefore been on evidence relating to change in behaviours brought about by the intervention, and an assessment of its marginal impact on conditions.
- Second, the context for the intervention is that traffic volumes, on the A63 and across the city, increased for some years before the Temple Green Park and Ride opened in 2017, and that this trend has continued. The reasons for rising traffic volumes on the city's road network are complex. There is no data available which could provide a robust counterfactual for the traffic flows into and out of Leeds city centre in the absence of the Temple Green P&R, although we have estimated the extent to which use of this facility has alleviated the overall growth in traffic.
- Third, the impact evaluation assesses the extent to which the Temple Green P&R has helped contribute, and will contribute in the future, to continued economic growth in the city centre and the Enterprise Zone. The impact of a scheme of this type and scale

can only be marginal; our assessment is based on information which is inevitably partial, and to a considerable extent, qualitative.

Logic model

- 5.10 A logic model was developed to inform the impact evaluation at the Locality Framework stage. Drawing on this logic model, a summary of the evidence from the impact evaluation, setting out what has been achieved at this stage in terms of inputs, activities, outputs and outcomes, and the evidence on 'additionality' is set out below.

What the intervention has achieved ...			
Inputs	Activities	Outputs	Outcomes
<ul style="list-style-type: none"> WY+TF expenditure of £9.1m (against planned total investment of £9.6m) 	<ul style="list-style-type: none"> Planning permissions secured Land acquisition Site remediation work Development and improvement of park and ride schemes Installation of utilities (water, electricity, gas, drainage, sewerage) Public realm improvement work New link/access roads developed Construction of SUDS/ sewerage systems 	<ul style="list-style-type: none"> 1,000 Park and Ride spaces created Fourteen electric vehicle charging points, that were not initially planned but delivered Six (of nine planned) bicycle parking spaces created Estimated 69-75 direct construction years of employment supported 	<ul style="list-style-type: none"> Increased passenger numbers on public transport: the average number of passengers per month January - July 2019 was 43k, and growing month-by-month through the first half of 2019 Reduced congestion, although the impact on the wider network is marginal reflecting the scale of the scheme and wider influences on congestion levels, Reduced demand for car-parking spaces in Leeds city-centre Reduced journey times, with positive evidence from surveys indicating perceived reduction in journey times Some qualitative evidence of benefits in terms of road safety, business outcomes, and access to employment, but of limited scale at this stage
... and how additional this is i.e. what would not have occurred without the intervention?			

- The intervention created additional benefits, to users (e.g. convenience, reliability, time savings and cost) and business (enhanced accessibility to employment), which would not have been realised without the scheme going ahead in this form.
- Stakeholders and users indicated some degree of additionality. The WY+TF enabled the 'right scheme' to be brought forward 'in the right place', and 'at the right time' – and this then gave confidence to other similar interventions.
- It is not possible to say what would have happened if the investment funds had not been available through WY+TF. From the evidence available, we believe that while the intervention would probably have gone ahead in some form, it is likely that alternative funding would have been limited, or had constraints attached. This would probably have meant that the Park and Ride was delivered less quickly, at a smaller scale or to a lower standard, with implications for the level of impact realised at this stage and in the future

Source: SQW.

5.11 The key findings underpinning this summary logic model are discussed below.

Key findings

5.12 The impact evaluation indicates that demand for the Temple Green Park and Ride has been strong since opening in 2017, with over 90% of carpark spaces occupied on weekdays.

5.13 Monitoring data provided by WYCA indicate:

- the car park is usually close to capacity from Monday to Thursday, and the average number of cars parked each weekday in the Park and Ride in August 2019 was 715, up from 517 the same time a year before and has continued to grow to peak use of over 950 in some days in June, July and August 2019
- the average number of bus passengers per month over January - July 2019 was 43k, up from 30k over the same period in 2018, and continuing to grow month-by-month through the first half of 2019.

5.14 The user survey data indicates that the scheme has encouraged modal shift: of the users surveyed in 2019, half were previously driving before the Park and Ride opened, mainly (albeit not exclusively) for employment purposes. This in turn has led to a reduction in the daily demand for car parking spaces in Leeds city centre of around 250 spaces (including formal, temporary carparks, on-street and other informal spaces).

5.15 Positively, and reflecting the congestion challenges that the scheme sought to alleviate, there was evidence from the survey of users in 2019 of savings in journey times: of the users surveyed that used the same route before the Park and Ride opened (mainly by car, but also some other forms of public transport), approaching two-thirds (62%) reported journey time savings. Of these, most identified a time reduction in their overall journey of less than 15 minutes, but some more substantial savings (in some cases of over half an hour) were also evident. Journey convenience and satisfaction was also high: amongst users that made the same journey before the Park and Ride, over 90% reported that their journey is now more reliable, and that their journey is cheaper.

5.16 This said, while there are significant benefits to users, the wider data on traffic flows and congestion indicates that the overall effect of this single initiative is 'positive but marginal' in terms of any wider contribution to relieving congestion. Change at that level will depend on a set of wider policy-based interventions.

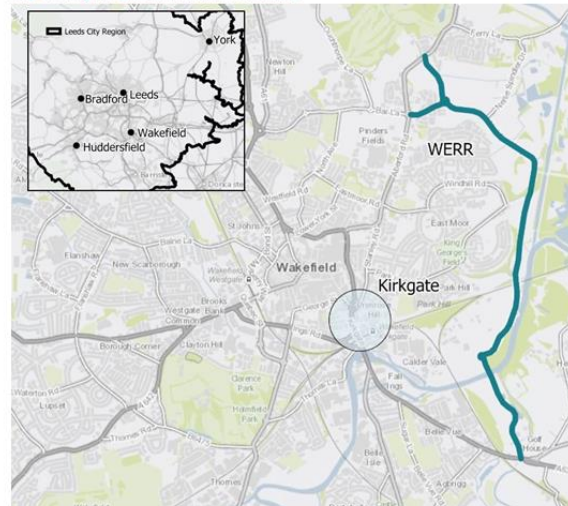
- 5.17 Reflecting the performance of the scheme, and the level of demand it has serviced, at the time of writing, a 400-space extension had recently been approved at Temple Green. Other park and ride facilities in the city were also being extended (Elland Road) or brought forward (at Alwoodley, north of the city centre, and Stourton, south east of the city centre). Together, these plans will create an additional 2,000 park and ride spaces across the city.
- 5.18 The wider impacts of the scheme at this point are modest. Consultations suggest that the Temple Green Park and Ride is considered to offer the opportunity to enhance accessibility to employment in the Aire Valley area – particularly at the Enterprise Zone – but there is little evidence that this has been realised substantially as yet. Indeed, the survey evidence suggests that there is very little west to east movement, with the Park and Ride serving those that are seeking to commute/travel to the city-centre, not back along the Aire Valley. This is consistent with the scheme’s core objective, but does mean that benefits from the provision of this public transport service to the Enterprise Zone have not been realised at this point.
- 5.19 This said there was some anecdotal feedback from businesses that the scheme has helped to improve the attractiveness of the Enterprise Zone through increasing connectivity, choice and flexibility to staff, suppliers and collaborators, and this effect may be amplified in the future.
- 5.20 In this context, the proximity of the Park and Ride to the Enterprise Zone will be an important element of its longer-term potential impact. The Enterprise Zone is recognised by local businesses and consultees as a prime location for business investment and expansion, with access to the city centre, and the regional and national motorway network. Consultees believed that a ‘more connected’ Enterprise Zone – which the scheme contributes to – may be facilitating expansion decisions of businesses, and that it opens new opportunities for businesses to come into the city without taking expensive property in or close to the city centre. The transport connectivity of the Aire Valley may also be important to public-sector organisations in considering locating at the Enterprise Zone.

Impact evaluation 2: Kirkgate scheme and the Wakefield Eastern Relief Road

Coverage and approach

- 5.21 This impact evaluation covered two WY+TF interventions in Wakefield: the Wakefield City Centre Package: Phase 1 Kirkgate (hereafter called “Kirkgate”) and the Wakefield Eastern Relief Road (WERR). There are longstanding physical challenges in and around Wakefield town centre associated with the area’s industrial past (particularly coalmining), in terms of derelict and vacant sites, stalled developments, and inadequate infrastructure (transport, public realm and drainage). The city centre experiences heavy congestion in peak periods, particularly in the south due to only one river crossing, causing delays, poor air quality and road accidents. In this context, two schemes were brought forward under the WY+TF to ease congestion, facilitate the development of residential and commercial sites in Wakefield, and help residents to access wider employment opportunities (in Wakefield and the wider city region).
- 5.22 The **Kirkgate intervention** funded by WY+TF was the first of three phases of the highway improvements identified under the “Wakefield City Centre Package”. It was designed to improve connectivity to/from/within the Kirkgate area, improve the built environment to attract new development and encourage economic growth in the area, mitigate against flood risks, and improve road safety and air quality in the area. Ultimately, the scheme was designed to be a catalyst for the *future* economic regeneration of the area.

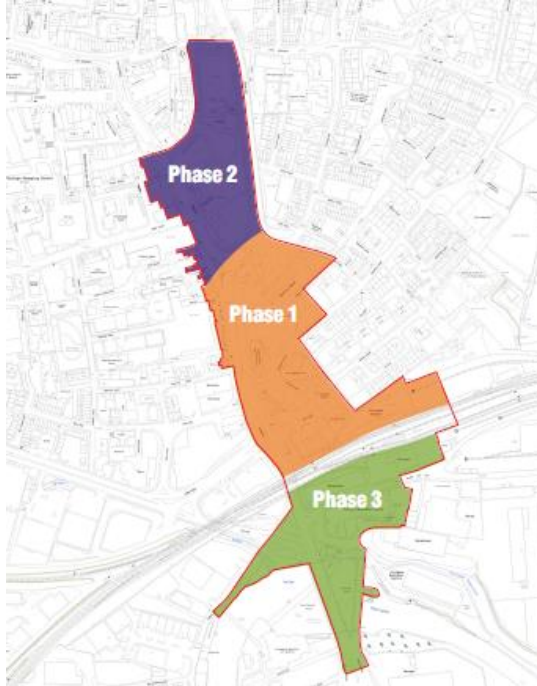
Map showing Kirkgate and WERR interventions



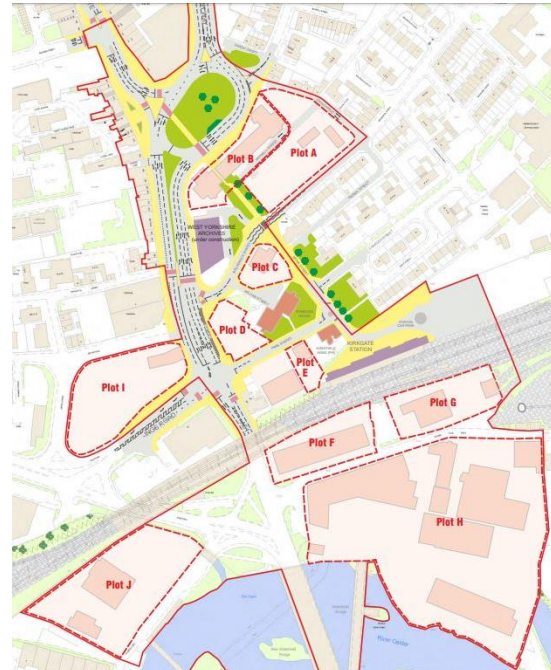
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Figure 5-2: Kirkgate intervention map

Phases 1, 2 and 3



Proposed development plots (Phase 1 covers plots A-E)

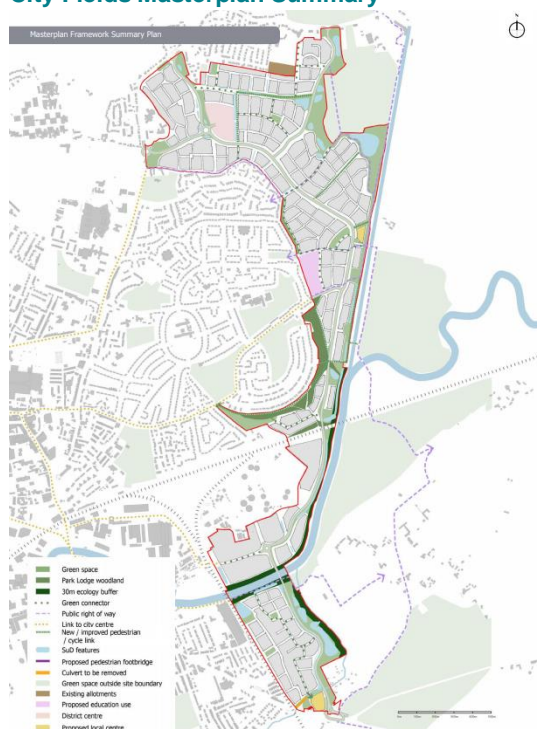


Source: Wakefield Council's proposed Kirkgate masterplan 2012/ Wakefield Council Regeneration and Economic Growth Department 2019

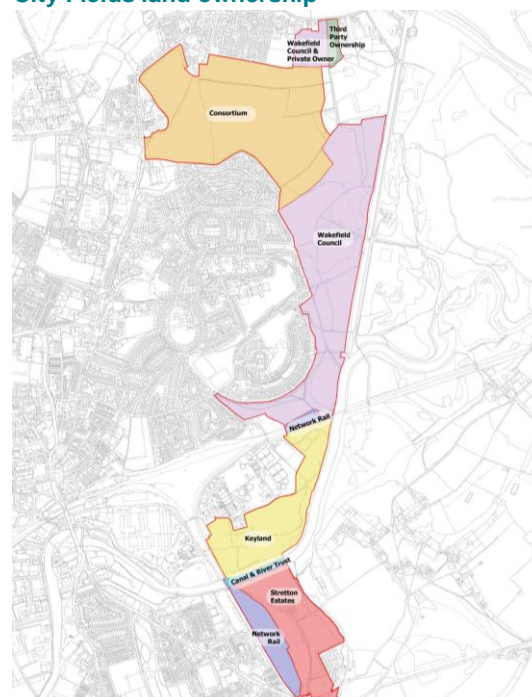
- 5.23 The **WERR** is a new single carriageway road around the eastern edge of Wakefield city centre, between the A638 Doncaster Road to the south and the A642 Aberford Road to the north. It was designed to provide an alternative route (to travelling through the city centre) to ease congestion, create new pedestrian and cycle routes, and reduce air and noise pollution. The road forms part of the “City Fields” masterplan, an area designated in Wakefield’s 2012 Local Plan for a new mix-use urban extension community. The WERR was expected to unlock 152 hectares of (largely housing) land across the City Fields site.

Figure 5-3: The WERR and City Fields development

City Fields Masterplan Summary



City Fields land ownership



Source: City Fields, Wakefield Masterplan Framework, June 2017, p.34 and p.12

5.24 This evaluation has been undertaken using a pre and post assessment and case-based approach. The main sources are as follows:

- **Qualitative feedback from 19 local stakeholders**, including representatives from Wakefield Council, developers and masterplanners, transport partners and community groups.
- **Feedback from 118 local businesses and 120 residents**, including telephone surveys with 106 businesses located close to one/both schemes, and 120 residents close to the WERR³⁰. A further 12 detailed consultations and an in-depth case study with businesses in the Kirkgate area.
- **Review and analysis of monitoring data**, covering the delivery of some outcomes/outcomes set out in the logic model.
- **Wider data analysis**, including data on air quality assessments, road accidents, noise, Pedestrian Environment Review System (PERS)³¹, green space, traffic and pedestrian counts, initial analysis of journey times, planning applications, and land and property data from EGI and CoStar.

5.25 The evaluation triangulates quantitative monitoring information and wider data available alongside qualitative feedback from consultees to understand the potential effects of the

³⁰ focusing on the new housing estate on City Fields and the Agbrigg/Crofton areas to the south of the WERR

³¹ On the attractiveness of the public realm at Kirkgate

interventions at this stage on both local transport conditions and the wider business and residential environment. There have been three main challenges to this:

- First, a consistent set of pre- and post-intervention data is not available for all anticipated outcomes. Most importantly, the Council was due to undertake a full review of traffic/travel times to provide a more comprehensive picture of the impact and inter-relationships between the two interventions on congestion in the city, and any displacement effects. However, this data was not available at the time of writing due to issues with an external software package procured by the Council.
- Second, this evaluation is taking place only one year after the Kirkgate intervention has been completed, and two years since the WERR was opened. Given the scale of the challenges/opportunities these interventions were seeking to address, it is important to be realistic about the outcomes that can plausibly be expected by this stage.
- Third, it was intended that Featherstone would be used as a proxy control area to inform an assessment of the counterfactual, where a by-pass is proposed but not yet funded. However, very limited data has been available as anticipated (e.g. traffic data, as noted above) and the context for the two roads is very different. The use of Featherstone as a control area has therefore not worked in practice, and so we rely on self-reported perspectives on additionality.

Logic model

- 5.26 A logic model was developed to inform the impact evaluation at the Locality Framework stage. Drawing on this logic model, a summary of the evidence from the impact evaluation, setting out what has been achieved at this stage in terms of inputs, activities, outputs and outcomes, and the evidence on 'additionality' is set out below.

What the intervention has achieved ...				
	Inputs	Activities	Outputs	Outcomes
Kirkgate	<p>£5.6m secured from WY+TF Spend 101% of target</p>	<p>A range of road and public realm improvements between the Wakefield Kirkgate station and the Chantry roundabout to the south east of the city centre, including:</p> <ul style="list-style-type: none"> replacing subways with toucan crossings and storm water flood storage facilities improved and traffic signals on roundabout a new traffic signal junction at Park Street closing Monk Street and Brunswick Street junction extensive landscaping, paving, new lighting. <p>Construction works started in April/May 2017 and completed in August 2018.</p>	<p>Output targets met:</p> <ul style="list-style-type: none"> 1.2km of carriageway with reduced flood risk 1.2km of road enhanced 5,700 sqm of public realm enhancement improvement of eight junctions. <p><i>Note, output data on Ha land properties with reduced flood risk n/a</i></p>	<p>Outcomes identified in original logic model achieved:</p> <ul style="list-style-type: none"> Improved market sentiment (early signs) Increased footfall <p>Other outcomes achieved:</p> <ul style="list-style-type: none"> Reduction in city centre traffic/congestion (early signs) More attractive business environment Unlocked development plots Improved environmental conditions Improved road safety, and perceptions of safety <p>Too early to assess:</p> <ul style="list-style-type: none"> Land and rental values, reduction in vacancy rates, house prices Businesses attracted to locality/inward investment Improved quality of life for residents and workers

The WERR	£37.6m secured from WY+TF, plus £14.2m private funding Delivered on budget	<p>Construction of a new 5.5km single carriageway road, including:</p> <ul style="list-style-type: none"> • segregated cycle lane and footpaths • street lighting, green infrastructure • grass verges incorporating drainage swales • new bridges over the River Calder and under the railway line. <p>The intervention started as planned in summer 2015, and opened on time in April 2017.</p>	<p>Output targets met:</p> <ul style="list-style-type: none"> • 16.5km of pedestrian/cycle routes • five new junctions • 5.5km of new road • installation of 5,500m of utility infrastructure. 	<p>Outcomes identified in original logic model achieved:</p> <ul style="list-style-type: none"> • Increased cycle usage (early signs) • Reduced congestion/journey times (early signs) • Enhanced accessibility of employment/business, and widening of labour market (early signs) • Services/community locations (early signs) • Increased supply of housing and commercial space <p>Too early to assess:</p> <ul style="list-style-type: none"> • Businesses attracted to locality • Reduced levels of deprivation in the area • CO2 savings via modal shift
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... and how additional this is i.e. what would not have occurred without the intervention?

- The Kirkgate scheme is unlikely to have gone ahead without WY+TF. Other developments have taken place in the area which will have contributed to improving the image of the area, but the Kirkgate intervention is thought to have accelerated regeneration efforts.
- Elements of the WERR may have gone ahead – however, this would have been piecemeal development as small parcels of land were brought forward (via s106 contributions) over a much longer period of time, and even with this approach a fully joined up route was highly unlikely due to the high costs of bridging the river and railway line. There is strong evidence to indicate that the WERR has increased the speed, scale and quality of subsequent development on the site. Critical transport-related outcomes would not have been possible at all without the full WERR being constructed.
- Congestion issues are unlikely to have been addressed without both schemes individually and working in combination to reduce traffic through the city centre. However, there is some evidence of traffic displacement effects at Newton Bar to the north of the city – this was anticipated, and plans are already in place to address the issue.
- The evaluators are therefore satisfied that there are directly attributable benefits as a result of the Kirkgate and the WERR interventions, which would not otherwise have happened.

Source: SQW

5.27 The key findings underpinning this summary logic model are discussed below.

Key findings

5.28 Whilst traffic/travel data is not yet available to understand the full effects of the WERR and Kirkgate in combination, early quantitative and qualitative evidence suggests the interventions have improved traffic and associated environmental outcomes in the area, in line with the interventions' objectives. The emerging evidence includes the following.

- Shortening and improving the reliability of travel times, including for business travel and commuting, e.g. 43% of respondents to the business survey agreed the interventions have reduced the impact of congestion on their business, particularly in terms of improved access to clients/customers/partners/suppliers, more reliable and shorter staff commuting times, and business travel time savings. Businesses were most likely to attribute improvements to the WERR, or to the WERR and Kirkgate in combination.
- Improved road safety/perceptions of safety and air quality in the Kirkgate area, e.g. 43% of businesses surveyed thought that, since the interventions have been completed, the Kirkgate area is a bit or significantly safer (most attributed this to the Kirkgate intervention, or both interventions in combination).
- Reducing the number of heavy goods vehicles and increasing cyclists in the Kirkgate area, and the improved frequency and punctuality of bus services.

5.29 However, there is some concern amongst consultees about congestion on the access on/off the WERR to the north and south, and at Newton Bar as a result of the schemes. The latter was anticipated and there is a forthcoming scheme to address the knock-on impact on this area.

5.30 The improved travel outcomes are **translating into economic impacts for some of the businesses consulted for this impact evaluation**. According to the business survey, 17% of all respondents said the schemes (mostly the WERR or Kirkgate and the WERR in combination) have had a positive impact on business performance. Most stated this impact had been in the form of improved productivity, arising from shorter and more reliable commuting and business travel. There is also some evidence to suggest the WERR has increased the range and accessibility of employment opportunities, including across the wider city region by improving access to the motorway and into Leeds, and will continue to do so in future.

5.31 The WERR has **rapidly unlocked land for housing development on the City Fields site**. Applications for over 1,500 homes have been submitted already (c.1,300 have secured approval). Of these, just over 550 homes are being built, of which c.220 are completed and many are occupied. Furthermore, planning permission has been secured for a business hub and local retail/commercial centre, and two further applications are under consideration for a district centre and care home. There is strong evidence to suggest that the WT+TF has increased the speed, scale and quality of development at this site. Whilst 500 homes were already planned prior to the WERR, the remainder have been accelerated or fully enabled by the WERR. The road has also led to higher quality housing being built to date and

more/connected green space than would otherwise have been the case. The private sector-led City Fields masterplan has also been important in realising these benefits, but consultees generally agreed that without the WERR, implementing the vision would not have been possible. Private sector partners consulted argued that the scale and long-term certainty provided by the WY+TF was essential to give them confidence to invest in the area.

- 5.32 Furthermore, most consultees agreed that **without WY+TF it would not have been possible to create a fully joined road** (even via “traditional” s106 financing sections of road) due to the extremely high costs of bridging the river and railway line, which was not economically viable from a developer perspective. No other funding was available at sufficient scale to progress the full scheme. As a result, critical transport-related outcomes would not have been possible (i.e. the road would not have provided an alternative route to travel through the city centre to relieve congestion).
- 5.33 In Kirkgate, the intervention has **significantly improved the quality of the public realm and green space** in the area, and **improved access to key development sites** to create platforms for development. This appears to be starting to stimulate some investment interest and **improve perceptions of the area as a business location** – for example, 60% of respondents to the business survey agreed that the interventions have improved the Kirkgate area as a business location - but it is still early days. The Council has purchased one of the development plots, which represents a significant investment in the area, and two other sites are being brought forward for residential and office space. The Kirkgate intervention is thought to have been particularly important in bringing forward these developments. Evidence of the intervention’s impact on footfall in Kirkgate is mixed – it is assumed that improvements to the environment and perceptions of safety may take more time to influence footfall in the area. Stakeholders recognise wider regeneration still needs to take place in the area to fully realise visions for Kirkgate as a “gateway” to the city. Without WY+TF, other developments in the area may have helped to improve the image, but the area improved by the Kirkgate intervention (which is central to the southern “gateway” area) would have remained unattractive. The intervention acts as a catalyst and will accelerate regeneration in the area.
- 5.34 In terms of construction benefits, the two interventions are estimated to have **created 774 construction years** (mostly generated by the WERR given its scale), and a substantial amount of employment will be created as sites are brought forward.
- 5.35 The interventions have also led to **wider strategic benefits** including:
- Consultees argued that partnership working between the Council and private sector was already relatively good in Wakefield prior to these schemes, but **partner relations have been strengthened substantially** through the WY+TF interventions. A key lesson from the WERR has been the importance of close communication and alignment with external stakeholders, such as developers, and ensuring the intervention was “development led”. The Council proactively sought to align the WY+TF interventions with the needs of private sector investors, by working in partnership throughout the design and delivery of the scheme.
 - Linked to the point above, the intervention has demonstrated the value of designing a scheme where **transport and housing/economic development were equally**

important and integrated from the outset, supported by a cohesive vision and masterplan for the area. As a result, the successful delivery of economic outcomes has been accelerated, whereby housing development has immediately followed along the route.

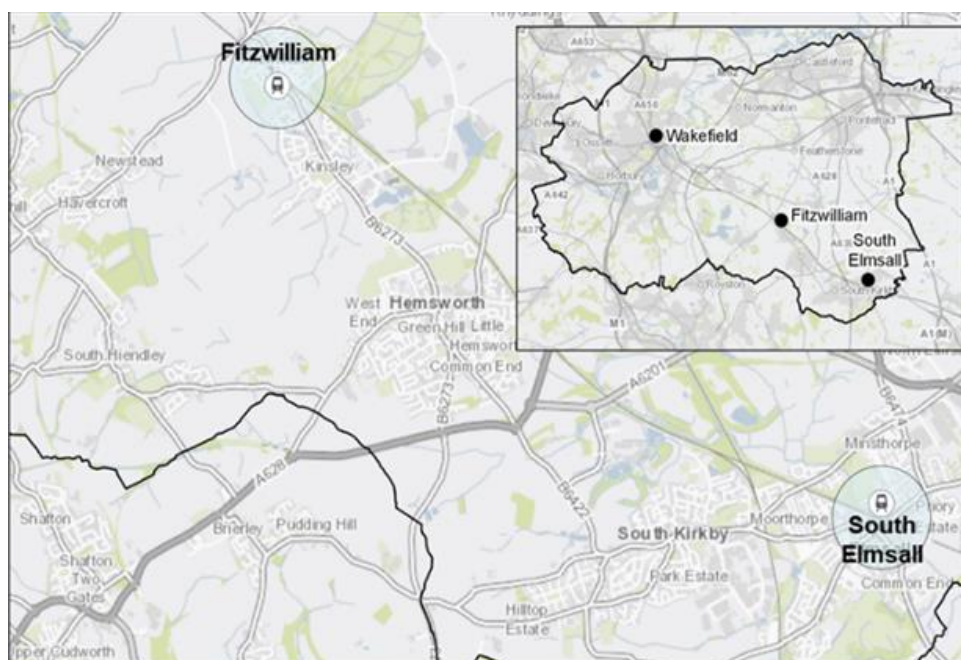
- Private sector consultees argued that the success of the schemes has **improved their perceptions of Wakefield as a place to invest** and the reputation of the Council in their proactive approach to development.
- Both schemes are acting as **catalysts to wider strategic regeneration** in Wakefield. Kirkgate as a “gateway” to the city, and the WERR as large-scale, new mixed-use community. Both are closely linked to wider regeneration investments in the city and should lead to additional synergies between the schemes in future as they are developed out.

Impact evaluation 3: South Elmsall and Fitzwilliam Rail Parking

Coverage and approach

- 5.36 This impact evaluation covered two WY+TF interventions in Wakefield: South Elmsall and Fitzwilliam Rail Parking Package schemes. The communities of South Elmsall and Fitzwilliam face significant challenges associated with their mining heritage. Parts of the area are amongst the 10% most deprived in the country and, whilst unemployment is low, a high proportion of people are employed in relatively low skilled jobs. Given that South Elmsall and Fitzwilliam are relatively small settlements, good connectivity to access employment opportunities in urban areas is therefore crucial. However, local rail infrastructure, specifically rail car parking, was unable to meet demand. A lack of alternative modes of transport travel to the station, combined with growing numbers of rail users, had resulted in additional demand on (limited) rail station car parking. This had caused capacity and congestion issues which, it was argued, was constraining connectivity to, from and within West Yorkshire.

Figure 5-4: Map showing the locations of South Elmsall and Fitzwilliam railway stations



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- 5.37 In this context, the two schemes were brought forward under the WY+TF as part of the wider programme of 13 other rail parking schemes across the City Region. The aims of the schemes were to improve the local environment (by reducing roadside parking and improve perceptions of safety), enhance rail accessibility leading to an increase in rail patronage at the stations, increase access to employment opportunities, and encourage a modal shift which will deliver carbon savings.
- 5.38 Fitzwilliam railway station received £0.487m investment from WY+TF to extend the parking provision by 103 car parking space (giving a total of 126 spaces) which was completed in April 2018. South Elmsall received £0.610m from WY+TF, which created an additional 49 spaces and resurfaced the existing 57 spaces (giving a total of 106) and was completed in July 2017. Both schemes also involved public-realm improvements including the installation of new lighting and CCTV, resurfacing and general maintenance.
- 5.39 The evaluation used a pre and post assessment to track changes in local congestion, travel time and modal shift, relying mainly on secondary data but also some survey work at the stations and consultations with local stakeholders. Three comparator stations – Outwood (for South Elmsall), Pontefract Monkhill (for Fitzwilliam) and Sandal and Airedale – were used to inform the counterfactual.
- 5.40 The main sources of evidence were as follows:
- **Feedback from rail passengers using the upgraded stations** using pre- and post-survey evidence gathered by WYCA (note, pre-intervention survey not undertaken at Fitzwilliam).
 - **Qualitative feedback** from 26 individuals, including project partners, stakeholders, community groups and businesses.

- **Analysis of Northern Rail passenger data** looking at the long-term trends prior to, during, and after the opening of the car parks at South Elmsall and Fitzwilliam.
- **Analysis of car park occupancy counts data** for South Elmsall (pre and post surveys) and Fitzwilliam (post survey), as well as comparator stations, looking at occupancy levels prior to and after the opening of the car parks.
- **Analysis of contextual data** including commercial/residential developments land/property values.
- **Review and analysis of monitoring data** covering delivery of the outputs and outcomes set out in the logic model.

5.41 There have been a number of challenges in the assessment of effects to date:

- The scale of the interventions is relatively small, in terms of both the wider WY+TF and other investments taking place in the areas. Also, limited time has passed since the extensions were completed – two years for South Elmsall, but only one year for Fitzwilliam. In the time since they were completed, there have been significant external factors (i.e. Northern Rail timetable changes and strikes in 2018/19) that have overridden any potentially discernible change in passenger numbers attributable to the interventions.
- Linked to the point above the two interventions were designed to be part of a wider programme of rail parking schemes. Therefore evaluating only the first two of 15 interventions means that (i) individually they are modest in scale, and (ii) we are unable to report on wider network and cumulative effects that the programme as a whole may generate.
- There have been some data limitations. Traffic data on local congestion was not available from Wakefield Council for the relevant sections/junctions of the road network, and rail passenger data from Northern Rail has not allowed a robust assessment of change over time.
- The user surveys have been led and commissioned by WYCA. A pre- and post-intervention survey has been completed at South Elmsall, although the pre-intervention survey was very small-scale and there is inconsistency between some key questions in the pre- and post-intervention surveys. At Fitzwilliam, a pre-intervention survey was not undertaken, and therefore an assessment of change is not possible³².
- Given the limitations of passenger data and the inability to assess the representativeness of the survey sample compared to the population of rail users at each station, it was not possible to scale up the impacts from the survey to the wider population.

³²WYCA have since implemented monitoring and evaluation for the rest of the programme to ensure consistency in the data collection for both pre and post construction surveys.

Logic model

- 5.42 A logic model was developed to inform the impact evaluation at the Locality Framework stage. Drawing on this logic model, a summary of the evidence from the impact evaluation, setting out what has been achieved at this stage in terms of inputs, activities, outputs and outcomes, and the evidence on 'additionality' is set out below.

What the intervention has achieved ...				
	Inputs	Activities	Outputs	Outcomes
South Elmsall	<p>£0.604m secured from the WY+TF</p> <p>Spend 99% of target</p>	<p>Creation of new car parking spaces and the resurfacing of existing spaces.</p> <p>Public realm improvement including new lighting and CCTV.</p> <p>Construction works started in March 2017 and completed in July 2017 (one week later than planned).</p>	<p>Output targets met:</p> <ul style="list-style-type: none"> 49 rail parking spaces compared to a target of 53 	<p>Outcomes identified in original logic model achieved:</p> <ul style="list-style-type: none"> Increased rail passenger satisfaction Reduced journey times (early signs) and journey reliability <p>Other outcomes achieved:</p> <ul style="list-style-type: none"> Improved local environment, including reduction in roadside parking and improved perceptions of safety <p>Too early to assess:</p> <ul style="list-style-type: none"> Increased passenger numbers on public transport Enhanced accessibility - employment/ business locations Enhanced accessibility – services/ community locations House price uplifts Reduced congestion C02 saving via modal shift
Fitzwilliam	<p>£0.492 secured from the WY+TF</p> <p>Spend 101% of target</p>	<p>Creation of new car parking spaces.</p> <p>Public realm improvement including new lighting and CCTV.</p> <p>Construction works started in September 2017 and completed in April 2018 (10 weeks later than planned).</p>	<p>Output targets met:</p> <ul style="list-style-type: none"> 103 rail parking spaces 	<p>Outcomes identified in original logic model achieved:</p> <ul style="list-style-type: none"> Increased rail passenger satisfaction Reduced journey times (early signs) Enhanced accessibility - employment/ business locations (early signs) Enhanced accessibility – services/ community locations (early signs) <p>Other outcomes achieved:</p> <ul style="list-style-type: none"> Improved local environment, including reduction in roadside parking (although overspill remains an issue) and improved perceptions of safety <p>Too early to assess:</p> <ul style="list-style-type: none"> Increased passenger numbers on public transport House price uplifts Reduced congestion C02 saving via modal shift

... and how additional this is i.e. what would not have occurred without the intervention?

- In terms of activity additionality, it is unlikely that either car park would have been expanded without WY+TF. At South Elmsall, the decision not to charge for parking means that from Network Rail's point of view the business case was weak and they would not have been able to secure funding internally. At Fitzwilliam, Wakefield Council argued the intervention would not have gone ahead without WY+TF due to lack of resources.
- In terms of passengers, the fall in the number of users in South Elmsall and Fitzwilliam has followed a similar pattern to two of the three control areas. It could be argued that the decrease may have been worse in South Elmsall and Fitzwilliam in the absence of these interventions (compared to control areas or wider benchmarks), but detailed/consistent data is not available to test this robustly. Given the level of "noise" influencing passenger numbers since the interventions were completed – and the range of other factors that influence rail usage – it is very difficult to draw conclusions on additionality associated with these outcomes.
- There is a stronger argument that improvements to rail user satisfaction, the local environment and improvements to journey times/reliability are additional. Consultees argued that the parking situation would have worsened, or at best remained the same, without the car park extension. The evaluators are therefore satisfied that there are directly attributable benefits as a result of the interventions, which would not otherwise have been realised.

Key findings

Performance to date

- 5.43 **Occupancy at both car parks is high.** At South Elmsall, the intervention has made a considerable difference to capacity and the extent of roadside parking (in conjunction with other new car parking provision in the town centre). The large majority of survey respondents here were now able to park in formal spaces. In Fitzwilliam, the car park extension has provided much needed space, which has enabled a notable change in parking behaviour (nearly half of survey respondents had changed from roadside to formal parking) and reduced the level of roadside parking. In turn, there is anecdotal evidence to show this has improved access for local residents and businesses, and eased community tensions. However, here, demand still exceeds supply and roadside parking continues to be an issue, as evidenced by the user survey and stakeholder consultations.
- 5.44 There is a **strong improvement in rail user satisfaction** of using the stations, and a consensus that **safety has improved** in the car parks as a result of new lighting and CCTV. That said, there are still concerns about crime and safety in the surrounding area, especially in the dark. As a result, anecdotal evidence suggests that people are continuing to drive rather than walk to the station, and therefore place greater demand on car parking spaces. For the interventions to deliver fully on their intent, other investments in the local physical infrastructure, community safety and public realm are likely to be required.
- 5.45 **Evidence on transport-related outcomes are less conclusive at this stage.** Passenger numbers show a decline at both stations between 2017/18 and 2018/19, in line with average numbers across all Northern Rail services. However, given data limitations, the significant level of “noise” in 2018/19 (due to Northern Rail timetable and strike issues), and the limited time passed since the interventions were completed, it is too early to assess whether the interventions have led to increased passenger numbers. That said, there is some evidence to suggest the interventions have **shortened journey times** (especially at Fitzwilliam) and **improved journey reliability** (especially at South Elmsall). Given that the majority of survey respondents were travelling to work at the time of the survey, this is an important finding in terms of implications for productivity, as journeys to work are quicker and more reliable. There is also some evidence that the interventions have **encouraged some users to commute to urban areas via rail instead of car** (for example, one third of survey respondents at South Elmsall have made this change since the car park was opened). Modal shift is less evident at Fitzwilliam.
- 5.46 The stations clearly play a role in City Region wide connectivity, with many survey respondents parking at the station to commute to Leeds and other urban areas. They serve some of the most deprived parts of the City Region, and are included in Wakefield’s “strategic transport link” and housing-led regeneration priority areas. Moreover, some of the users at Fitzwilliam felt that the expansion had **improved the accessibility of employment opportunities and local services**, after only one year of opening. Given the catchment for this station includes some of the most deprived neighbourhoods in the country, this is a highly important outcome for the area.

- 5.47 **Growth in house prices** has slowed since 2017 in both South Elmsall and Fitzwilliam, reflecting wider trends across Wakefield and the UK as a whole, although it does appear that price growth in South Elmsall and Fitzwilliam has held up better than the Wakefield average post-intervention. Consultees struggled to attribute housing market strengths/changes to the car park extensions. However, it was noted that the presence of railway stations is important for the attractiveness of the area, and so investments that raises the overall quality of the offer of stations is an important part of the mix for the area as a residential location.
- 5.48 Anecdotal feedback from residents, businesses and stakeholders, suggested the car park extensions have **enabled more people to access leisure and shopping facilities** in South Elmsall (and to a lesser extent Fitzwilliam), and are used by people working in South Elmsall. Whilst this is positive for the local economy, it does indicate that not all car park spaces are being used for their intended purpose. Diverting capacity away from rail to town centre users will inevitably compromise the interventions' ability to deliver transport-related outcomes, such as increasing passenger numbers and modal shift.
- 5.49 More generally, the interventions are seen to be **contributing towards the strategic regeneration** of this part of Wakefield district, complementing a wider package of regeneration activities in an area that has been a strategic priority for the Council for many years, helping to create a better environment to live and affordable way to commute to job opportunities in urban centres.

Looking forward

- 5.50 It is reasonable to expect that improvements to rail user satisfaction and the local environment will continue to benefit South Elmsall and Fitzwilliam in future, which in turn may encourage more people to use the rail services over time. However, in a context where demand for parking is high and both car parks regularly reach capacity, there is a question as to where the capacity to accommodate additional "new to rail" users in future will come from.

6. Wider contribution of the WY+TF Fund

- 6.1 In this final section of the report, the evaluators assess the wider contribution that the WY+TF has made to the economic development landscape in the Leeds City Region, specifically in relation to capacity development and partnership working. Further evidence is available in the underpinning Capacity Development and Partnership Working Evidence Paper.

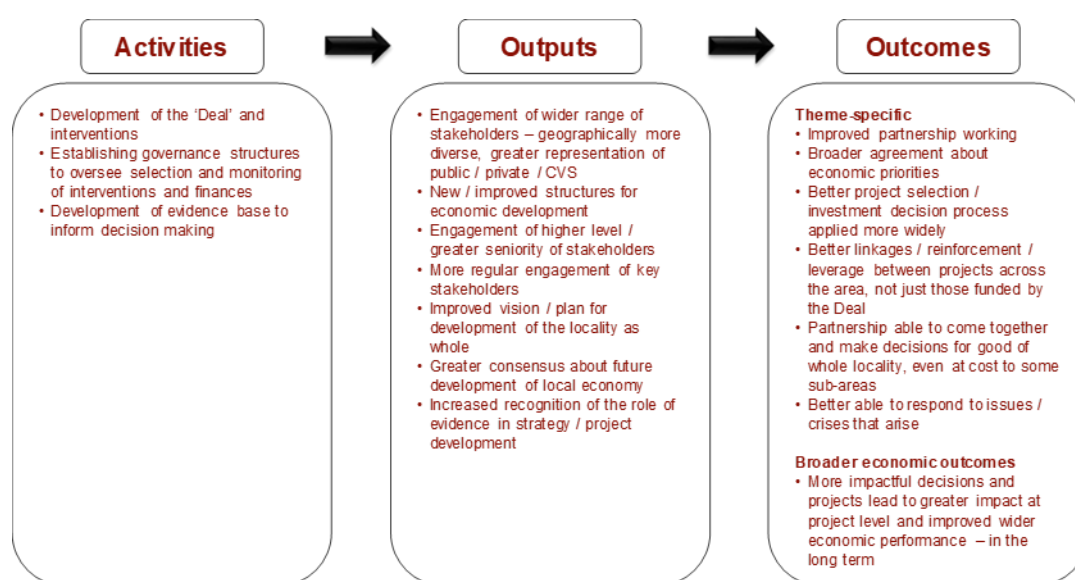
Key messages from the assessment of the Fund's contribution to capacity development and partnership working

- Evidence from the online survey and strategic stakeholder consultations suggests that substantial progress has been made since 2014 in economic development capacity and partnership working across the City Region.
- The WY+TF was considered the most influential factor in driving these changes, with over half of respondents to the online survey rating it as “extremely influential”. The wider Leeds City Region Growth Deal – of which the WY+TF forms an important component – has also played a key role in the progress in economic development capacity and partnership working.
- Improvements to governance structures, strategic and operational decision-making processes, and partnership working have been particularly evident. This was reported to have led to greater consensus on key thematic and spatial priorities across the City Region. Furthermore, consultees argued that WY+TF played a critical role in creating and accelerating the maturity of WYCA.
- The distance travelled in terms of local capacity and competencies has been significant. When the Fund was introduced, the City Region was starting from a relatively low (and variable) base, and it has taken considerable time and effort to put in place the capacity and skills needed to deliver the Fund. The scale, longevity and stability of the Fund has been critical in enabling partners to plan, make the case for, and invest in capacity internally.
- Partners now feel in a much stronger position, with an improved understanding of the role of evidence and relationship between transport and economic development, more robust project development and appraisal processes, and considerable experience of managing and delivering large-scale and complex transport schemes. This learning is helping to improve the quality of subsequent business cases (e.g. TCF and HIF), as well as helping to improve the effectiveness of ongoing delivery of Transport Fund interventions.
- Feedback on stakeholder engagement was more positive from strategic consultees than the e-survey. This suggests there is a need to improve community engagement looking forward. That said, project manager consultees noted they have gained valuable experience from undertaking

large-scale consultation exercises as part of WY+TF interventions that will inform community engagement processes in future.

- 6.2 The National Evaluation Framework recommended that evaluations to inform the first Gateway Review included an assessment of the effects of each fund on local capacity development and partnership working. This was expected to be particularly important for the first Gateway Review, where quantitative benefits may not yet have been fully realised, and where activity was ongoing, but where the design, development and delivery of the fund may have strengthened local partnership arrangements and boosted local capacity, leading to increased confidence about future delivery.
- 6.3 The type of activities, and the nature of the expected benefits – outputs and outcomes – for this assessment of the wider contribution of the Fund is set out in Figure 6-1.

Figure 6-1: Local capacity development and partnership working logic model



Source: SQW

- 6.4 Evidence has been collected from two perspectives:
- at a **strategic level**, considering the contribution that the WY+TF as a whole has made to changes in the behaviours, perspectives, and decisions of actors across the economic development landscape, via an online survey and consultations with senior economic development stakeholders across Leeds City Region.
 - at a **project-up level**, considering how the development and delivery of individual interventions (or groups of linked interventions) has led to changes in the behaviours, perspectives and decisions of actors across the economic development landscape, via consultations with managers of interventions, and in-depth case studies on specific interventions.
- 6.5 The detailed findings from the research is set out in the accompanying Capacity Development and Partnership Evidence Paper, including the results from two waves of the online survey and case studies.

Evidence from the online survey

- 6.6 Two online surveys were undertaken with stakeholders involved in economic development in the Leeds City Region in summer 2018 and summer 2019. The purpose of the e-surveys was to collect quantitative data on stakeholder perspectives on capacity development and partnership working and the role of WY+TF in contributing to changes. In 2018, 27 responses were received, and in 2019, 22 responses were received (including 15 who had responded previously in 2018). This represents response rates of 68% in 2018 and 51% in 2019.
- 6.7 The samples for the online survey are relatively small, but they are important as they include a range of key stakeholders involved directly and indirectly in the implementation of the WY+TF and the development of the City Region's economy. Most respondents had been involved in economic development in LCR for at least eight years, giving them a strong sense of the long-run position on capacity and partnership working across the City Region (helping to offset the relatively small sample size). Broadly, respondents to the 2018 survey had a slightly higher rate of awareness of the details and progress of interventions supported by the Fund, whereas new respondents in 2019 were from different backgrounds and brought perspectives that were not therefore covered in the 2018 sample.
- 6.8 Across both surveys, stakeholders were asked to score out of 10 (where 0 is poor and 10 is excellent) the performance of Leeds City Region across a range of factors associated with local economic development capacity in 2014 (at the time the WY+TF was announced) and then in 2019. As shown in the table below, **outcomes which appear to have observed greatest change between 2014 and 2019 relate to the effectiveness of decision-making processes, closely followed by the effectiveness of partnership working, the effectiveness of governance and management structures, and the quality of evidence underpinning economic development activities.**
- 6.9 The **level of consensus on key thematic and spatial priorities** was also rated highly, but the City Region's performance has changed to a lesser extent since 2014 than for the outcomes above. The quotes below are taken from e-survey responses, and demonstrate how the Fund has encouraged stakeholders to look beyond their own Local Authority boundaries to prioritise interventions that bring about benefits to the wider City Region:
- "One of the most beneficial impacts has been the cross-boundary working and projects being considered and implemented that bring a wider benefit than just to a very local area."*
- "There has been much greater collaboration between Local Authorities and public sector leaders on shared transport priorities and their importance to being aligned with economic objectives and the outcomes in the Strategic Economic Plan for the Leeds City Region."*
- 6.10 Conversely, according to the e-survey, the three indicators relating to engagement with the wider public sector, the private sector, and the voluntary and community sector have all seen the least improvement, as well as starting from the lowest base. That said, there was more divergence in scores given for all engagement outcomes, suggesting wider differences in opinion. Those who gave the lowest scores for engagement were all involved in the implementation of interventions supported by the WY+TF, whereas all those involved in the governance or oversight had more positive opinions of engagement.

E-survey respondent scores against capacity development and partnership working indicators		
	Median score in 2019: where 0 is very poor, and 10 is excellent ³³	Change in median score baseline to 2019 ³⁴
Effectiveness of the decision-making process for economic development interventions	8	3.5
Effectiveness of partnership working in the delivery of economic development strategy and activity	8	3
Effectiveness of governance and management structures in the delivery of economic development strategy and activity	8	3
Quality of the evidence base underpinning economic development	8	3
Level of consensus on the key spatial priorities for economic development strategy and activity	8	2
Level of consensus on the key thematic priorities for economic development	8	2
Level of synergy and inter-relationships between key economic development interventions	7	2
Level of engagement of the wider public sector, in economic development strategy and activity	6	2
Level of engagement of the private sector in economic development strategy and activity	6	1.5
Level of engagement of the voluntary and community sector in economic development strategy and activity	5	1.5

Source: SQW analysis of e-survey responses

- 6.11 Stakeholders were also asked to report on which factors had influenced the changes in local economic development capacity. They rated seven pre-defined factors on a scale of one (“not at all influential”) to five (“extremely influential”). On average, **the WY+TF was considered the most influential factor in the change in local economic development capacity**. Over half of respondents thought it was “extremely influential”. The Leeds City Region Growth Deal was a close second, with nearly 40% of respondents rating this “extremely influential” in driving local economic development capacity improvements. A quarter of respondents also felt changes in political leadership had also been extremely influential. This suggests that **the Fund has improved capacity in combination with a number of other factors/changes observed in the City Region**.

³³ n=17/18. Of the 22 people responding to the survey in 2019, 18 responded to this question, but one of these did not give a score for all indicators above. Hence the n varies from 17 to 18.

³⁴ n =16 for the baseline. This comprises 10 respondents to the 2018 survey who could provide a perspective on 2014, and six from those who only answered the 2019 survey and could provide a perspective on 2014.

E-survey respondent scores on factors influencing capacity development and partnership working outcomes		
	Average rating (scale 1-5)	Proportion of 5-ratings (extremely influential)
WY+TF	3.9	53%
Leeds City Region Growth Deal	3.7	39%
Changes in economic development structures / organisations	3.2	21%
National government expectations and policy agenda	3.2	10%
Changes in local strategic priorities and objectives	3.1	10%
Changes in political leadership / new local leaders have emerged	3.0	24%
Changes in the overall level or nature of economic development	3.0	15%

Source: SQW analysis of e-survey responses. n=26-30 (22-25 responses from 2018 and 4-5 new responses for 2019; including partials, excluding "N/A" responses).

- 6.12 Finally, stakeholders were asked specifically about the overall effect of the WY+TF on various elements of local economic development capacity, and given five options ranging from a very negative effect to very positive. The table below shows “net positive”³⁵ results across all intended capacity and partnership outcomes. The Fund has had the greatest “net positive” impact on operational decision-making, which is consistent with the evidence above on the effectiveness of the decision-making process. Given that the Combined Authority was new, this is a particularly important effect.

E-survey respondent scores on the overall effect of the WY+TF on capacity development and partnership working outcomes	
	‘Net’ positive effect of the development and delivery of the Fund since 2015 ³⁶
Operational decision making (i.e. project development/selection)	94%
Strategic-level decision making and planning	82%
Local confidence to develop and deliver economic growth interventions	82%
Local commitment to develop and deliver economic growth interventions	82%
Understanding on what works in developing and delivering economic growth interventions	82%
Engagement of high level / senior stakeholders in economic growth interventions	82%
Overall local economic development capacity and partnership working	71%

Source: SQW analysis of e-survey responses

³⁵ The net score = (% positive effect + % very positive effect) – (% negative effect + % very negative effect)

³⁶ n=17

Evidence from the consultations and case studies

- 6.13 In order to assess the strategic effects of the WY+TF in more detail, the evaluation included two rounds of in-depth qualitative consultations in late 2018 (17 individuals) and mid 2019 (24 individuals). This included the Chair and Managing Director of WYCA, the City Region's Chief Highways Officer, and Leaders, Chief Executives and Directors of Development at Local Authorities. In addition, emerging findings were presented to the LEP Board and WYCA Investment Committee, and consultations were held with the WYCA Programme Management Office. To understand "project up" benefits³⁷, we also consulted with 14 project managers covering 19 interventions and undertook two in-depth case studies focused on the A629 Halifax-Huddersfield corridor improvements and the East Leeds Orbital Road (together these case studies involved consultations with 15 individuals, including project leads and partners).

Stakeholder perspectives on the strategic effects of the WY+TF

- 6.14 According to consultees, the WY+TF was set up to address "*decades of underinvestment in the region's transport infrastructure*". When it was introduced, the City Region was starting from a relatively low (and variable) base: both in terms of capacity, particularly in a context of Local Authorities austerity cuts; and capability, where partners lacked prior experience of delivering such large-scale and complex interventions, or had not delivered schemes of this magnitude for a considerable period of time. Moreover, the Combined Authority was created in 2014, and so it would inevitably take time to establish new systems and processes for the Fund. In this context, it is evident from the e-survey above and consultee feedback below that **substantial progress has been made over the lifetime of the Fund in terms of economic development capacity and partnership working**.
- 6.15 The senior strategic stakeholders consulted for both waves of this evaluation were in agreement that **the WY+TF had played a critical role in the creation of WYCA**, along with the wider Growth Deal, **and has helped to accelerate the maturity of the partnership**. The Fund was identified by the majority of consultees as the key factor leading to the creation of robust governance structures and processes within the Combined Authority. Whilst these took time to put in place and some challenges were encountered (for example, in balancing flexibility and accountability), consultees noted that substantial progress has been made – particularly over the last 12-18 months – to strengthen governance processes.
- 6.16 The Fund has encouraged more senior and more regular stakeholder involvement in governance structures, and consultees agreed that this had led to **improved partnership working and a more strategic approach to decision-making across the City Region**. Consultees described a more "collaborative approach" with growing level of trust and "team spirit" between partners. Partners now have "joint ownership" and "collective responsibility" for the Fund. Consultees also felt the City Region is now more able to speak with "one voice" in making the case to Government for investment, and also to react more effectively to changing circumstances. These partnership outcomes have been enabled by the availability of

³⁷ Project managers were asked questions on how the delivery of their WY+TF interventions had an impact on partnership working and engagement, local capacity and systems, understanding, insight and evidence and strategic prioritisation and decision-making

locally controlled, long-term funding at scale, and transparent and open decision-making processes.

- 6.17 The Fund has also led to **strengthened (mainly bilateral) relationships between Local Authority partners**. There were some examples where this had led to closer/deeper joint working (for example, in subsequent bids for funding), improved understanding of cross-boundary economic linkages and priorities, and greater knowledge sharing in other contexts. There is also some evidence to suggest that Local Authorities are collaborating more effectively across the City Region, for example via a collective procurement framework for WY+TF professional support.
- 6.18 The Fund has also **helped to forge closer relationships with other partners**, such as key agencies (Network Rail and Highways England) and the private sector (e.g. developers). The last has been particularly important in encouraging the private sector to invest, thereby helping to accelerate the delivery of economic outcomes (e.g. this was confirmed by private sector consultees in the WERR impact report in relation to housing development). The scale, commitment and longevity of WY+TF funding, and the ability this gives Councils to implement their visions, has been a key factor in leveraging private sector investment.
- 6.19 Consultees argued that some intervention sponsors are **engaging in larger-scale public consultation exercises with the community**, driven by the scale of WT+TF interventions in question (although it is noted that this view differs from the e-survey findings above, which might reflect different levels of knowledge and involvement in these exercises). Also, some consultees believe the nature of community consultation has changed: as a result of the Fund, transport is now seen as an enabler of wider economic development, and so consultation processes are considered to be “more thought through” and “meaningful,” engaging local communities on more holistic propositions.
- 6.20 Consultees felt that involvement in the Fund has led to a **shared and better understanding of the roles that different places play** across the City Region, and how they interact (e.g. Calderdale and Kirklees districts). It has also improved some partners’ understanding of the **relationship between transport and economic development**, and demonstrated the value of forward thinking on these issues. This has led to greater consensus during the decision-making process about priorities for the good of the whole area, and the learning has informed subsequent programme development (e.g. Transforming Cities Fund).
- 6.21 The improvement of **partner capacity, capability and confidence** over the lifetime of the Fund has been substantial. There was consensus across consultees in the City Region’s performance against this outcome. It has taken considerable time and effort from Local Authorities and WYCA to put in place the capacity and skills needed to deliver the Fund. That said, the scale, longevity and stability of the Fund has enabled partners to plan, make the case for, and invest in capacity internally. Without the Fund, consultees argued this would not have been possible in a context of budget cuts. The need to build capacity and create and embed new governance structures at the start of the Fund meant expenditure was initially slower than expected, but considerable momentum has now been created at an operational level.
- 6.22 As discussed in Section 4, a number of interventions have encountered significant issues in terms of financial profiling and delays in delivery – and a considerable amount of learning and experience has been gained through the process. However, **most partners now feel in a**

much stronger position: consultees reported a better understanding of project development and the role of evidence; the quality of applications coming through to WYCA has improved; robust appraisal and assurance processes are now in place; and partners have gained considerable experience of managing and delivering large-scale and complex interventions. There are examples where this learning is being shared *within* partner organisations, and informing and improving the quality of subsequent business cases (e.g. for TCF and HIF), as well as helping to improve the effectiveness of ongoing delivery of Transport Fund interventions. The WY+TF was perceived as absolutely critical in the development of capacity and capability across partners. A number of consultees suggested that there was scope for much more sharing of knowledge and best practice in project development, appraisal, and delivery across the partnership, and this was a missed opportunity at present. WYCA has discussed this with partners and, whilst there is not the capacity to undertake this at present, it will be introduced over the next few months.

- 6.23 Across the Fund as a whole, whilst consultees agreed that interventions funded were strategically important and closely aligned to the City Region's vision, they **struggled to identify any interdependencies between individual WY+ Transport Fund interventions at present, with the exception of Wakefield's Kirkgate and the WERR interventions**. However, this should become apparent as more interventions are delivered on the ground and completed. More generally, there was clear evidence of integration with other Growth Deal interventions and/or local plans at a district level which should deliver greater cumulative effects in future.

Feedback on “project up” benefits generated by the WY+TF

- 6.24 Capacity development and partnership working effects arising from WY+TF interventions has been summarised as internal and external effects (i.e. whether the benefits remain within the Council or beyond). Many of the evidence presented here from an intervention perspective corroborate the strategic level feedback above.
- 6.25 The main internal effects reported by project managers included:
- **Improved processes for developing and delivering more robust interventions**, as a result of Councils' engagement with the Fund. There are examples where learning from WY+TF interventions has been applied to the development and delivery of interventions in other policy domains within Councils (such as economic development, health and social care) and helped to strengthen proposals for forthcoming transport interventions.
 - **Improved relationships between different parts of the Councils**, such as planning and transport departments, as a result of delivering WY+TF interventions, which has led to more effective delivery overall.
 - Accelerating the delivery of local plans and encouraging internal reflection on strategic priorities.
- 6.26 In terms of external effects, the most common feedback was as follows:
- **Strengthened relationships between neighbouring Local Authorities.** As noted above, some Councils have developed closer bilateral relationships as a result of

collaborating on a WY+TF intervention, and continue to share knowledge and jointly commission works to ensure economies of scale.

- **Some ad hoc knowledge sharing between Local Authorities.** For example, Councils have delivered knowledge sharing sessions at the Combined Authority for other Councils, drawing on their experience of delivering WY+TF interventions.
- **Strengthened relationships between Councils and local stakeholders/partners,** particularly developers, Network Rail and its supply chain, and between Councils and WYCA. For example, in Wakefield, the experience of the WERR has increased private sector partners' confidence in Wakefield as a place to invest.

6.27 It is worth noting that potential capacity building and partnership working benefits were rarely built into the intervention businesses cases at the outset and were often described as an unexpected benefit arising from the Fund.

6.28 The two "project up" case studies reiterate many of the messages above, providing additional evidence of **strengthened cross-border relationships** that have moved from '*cooperation to collaboration*' in subsequent activities, and **improved capacity and competences** within Councils. The project experience gained through these two interventions has informed, and is expected to continue to inform, project development/delivery in other parts of the Councils, as well as future transport interventions. A summary of "project up" benefits from the A629 and East Leeds Orbital Road (ELOR) interventions is provided in the table below.

	Background	WY+TF contribution
A629 Halifax-Huddersfield corridor improvements	The A629 is a key strategic corridor in West Yorkshire spanning two Local Authorities (Calderdale and Kirklees). The WY+TF scheme is designed to increase capacity on the A629 through five phases of work. The first phase is within scope of the evaluation, and focuses on the "southern section" of the road. It is split into two parts, both led by Calderdale Council: 1a has realigned and widened a section of the A629 (completed in November 2018); and 1b will improve junctions (commencing in late 2019)	<p>There was a shared recognition of capacity building and wider partnership benefits arising from the A629 intervention, albeit from different perspectives, and referencing different examples.</p> <ul style="list-style-type: none"> • Deepened relationship and enhanced partnership working between Calderdale and Kirklees Councils. Both parties signed a Memorandum of Understanding (MOU) directly as a result of the WY+TF to work more closely on transport and economic development. Consultees argued that the relationship has moved on from '<i>cooperation to collaboration</i>', in part (but not exclusively) due to joint working on the A629. As a result, the Local Authorities have collaborated on the development of a proposition for a 'Spatial Priority Area', and jointly lobbied to make the case for a new junction on the M62. Relationships are expected to develop further as the A629 phases progress – especially during Phase 4 which is being jointly delivered. • Improved engagement with stakeholders, such as the Calderdale Royal Hospital. • Improved capacity and capability to manage and deliver large scale economic development projects at both Councils, including project management and technical skills, better understanding of monitoring and evaluation processes, and also of the importance of sufficient data/evidence during planning to enable robust planning and minimise the risks of changes to scope.

<p>East Leeds Orbital Road</p>	<p>This a £116m intervention to replace a section of the city's existing, largely single carriageway, Outer Ring Road, to unlock the development of the East Leeds Extension (ELE), facilitate the wider regeneration of a relatively deprived area in East Leeds, and encourage large-scale redevelopment in/around Thorpe Park (business park). The intervention will comprise a 7km route from the Outer Ring Road round the east side of Leeds, junction improvements and a new cycling and walking environment along the existing A6120.</p>	<p>The early stages of this intervention have been delivered, with the main construction phase about to commence. This has already led to capacity and partnership benefits that will inform future work at the Council. For example:</p> <ul style="list-style-type: none"> • Extensive community consultation in summer 2019. This has been instrumental in de-risking the scheme, securing planning permission and CPO/SRO approval, as well as allowing the team to plan work effectively to reduce day-to-day construction inconvenience and identify diversions needed. This experience has set a new benchmark as to how the Council will coordinate and engage with the public and stakeholders in future large-scale interventions. • Early learning about local economic development capacity and systems. The procurement process took longer than expected, as the initial preferred supplier went into administration. The Council now undertakes more due diligence to minimise risks. • The intervention provides an opportunity to test an innovative approach (for Leeds) to recovering some costs via a roof tax on housing developments in the ELE. This may be used on future infrastructure interventions in the city region. • A learning experience in the Green Streets agenda. The Council is keen on undertaking 'lessons learnt' sessions to share experiences with other project teams and colleagues across the Council and developers. • Future potential for the intervention to be a major economic development facilitator for Leeds and the wider city region, given its scale, and making a major contribution to meeting targets for new housing, widening of labour markets and improvements to quality of life.
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Annex A: CLGU Gateway Review criteria

A.1 The purpose of this Annex is to map the Gateway Review Evaluation Indicators developed by CLGU against the coverage of the final evaluation reports that will be provided by the National Evaluation Panel. A RAG assessment has been applied, where:

- Red means that the indicator is not covered in the final evaluation reports (as it falls outside the scope of the work of the National Evaluation Panel)
- Amber means that some evidence in relation to the indicator is covered in the final evaluation reports, but further information may be required from the Locality to respond fully (there are notes below to explain this partial coverage)
- Green means that the indicator is covered fully in the final evaluation reports.

A: Evidence of Investment Fund intervention progress (relevant for all projects assessed)

Table A-1: Evidence of intervention progress (relevant for all projects assessed) indicators

Indicator	Rating	Location of evidence in National Evaluation Panel (NEP) reports
1. Explanation of the approval process you followed for the intervention including:		
a) How the intervention was agreed by the CA, City Board or Cabinet, including a description of how challenge or disagreement being handled effectively, where applicable	Red	
b) How the views of stakeholders were considered during intervention development	Red	
c) How the intervention aligns with pre-existing investment programmes in the area	Red	

Indicator	Rating	Location of evidence in National Evaluation Panel (NEP) reports
d) How the business case process was appraised (N.B. Robust appraisal should demonstrate value for money and potential for positive economic impact, developed in line with the HM Treasury Green Book)	Amber	<p>There are references throughout the NEP reports to the WYCA business case process, as set out in the Assurance Framework, used to approve the individual WY+TF interventions. Also, the evaluation comments on progress against expected effects (as set out in the business cases) for interventions covered by impact evaluation. For more details, see:</p> <ul style="list-style-type: none"> • Main report – Section 4 (Progress Evaluation), Section 5 (Impact Evaluation) • Progress Evaluation Evidence Paper • Impact Evaluation Evidence Papers <p>However, a robust appraisal of the business case and whether businesses cases were developed in all cases in the project appraisal and selection process, and demonstrated impact/value for money, is not covered.</p>
e) How the intervention fits with pre-existing stakeholder frameworks, strategies and plans	Red	
2. Explanation of the delivery process to date, including:		
a) Intervention milestones agreed at Board level that are likely to result in successful delivery of the intervention	Red	
b) Delivery of the intervention against agreed intervention milestones with evidence of adjusting project/programme plans to mitigate the impact and to ensure value for money and successful delivery	Green	<p>Each WY+TF intervention has provided regular updates to WYCA on progress against spend profiles. Although there have been ongoing revisions to project work plans, the evaluation has assessed progress against a 'baseline' forecast from October 2018 (as agreed with WYCA). For more details, see:</p> <ul style="list-style-type: none"> • Main report – Section 4 (Progress Evaluation) • Progress Evaluation Evidence Paper – Sections 4 and 5
c) An agreed spending profile for the intervention	Green	<p>Although there have there have been ongoing revisions to project spend profiles which are approved by WYCA's Investment Committee, the evaluation has assessed progress against a 'baseline' forecast from October 2018. For more details, see:</p> <ul style="list-style-type: none"> • Main report – Section 4 (Progress Evaluation)

Indicator	Rating	Location of evidence in National Evaluation Panel (NEP) reports
d) Evidence of keeping to the spending profile and mitigating overspend or delays including evidence of adjusting spending and project/programme plans to mitigate the impact and to ensure value for money and successful delivery	Green	<ul style="list-style-type: none"> Capacity Development and Partnership Working Evidence Paper – Section 3 (especially the recent spending review on pages 24-25) Progress Evaluation Evidence Paper – Section 2 <p>Although there have there have been ongoing revisions to project spend profiles which are approved by WYCA's Investment Committee, the evaluation has assessed progress against a 'baseline' forecast from October 2018. For more details, see:</p> <ul style="list-style-type: none"> Main report – Section 4 (Progress Evaluation) Capacity Development and Partnership Working Evidence Paper – Section 3 (especially the recent spending review on pages 24-25) Progress Evaluation Evidence Paper – Sections 2, 4 and 5
e) Outputs generated to date by intervention activities	Green	<p>The outputs achieved by the WY+TF interventions are referenced throughout. For more details, see:</p> <ul style="list-style-type: none"> Main report – Section 4 (Progress Evaluation) and Section 5 (Impact Evaluation) Progress Evaluation Evidence Paper – Sections 3 and 4 Impact Evaluation Evidence Papers – Section 4
3. Local evaluation plans and commitment to Investment Funds evaluation activities including the Independent Panel evaluation beyond the first gateway review in line with agreed milestones	Amber	<p>The scope of the NEP work has been on Gateway Review 1. A Locality Framework and then a Locality Evaluation Plan were agreed and these are referenced at:</p> <ul style="list-style-type: none"> Main report – Sections 1 and 4 All three Impact Evaluation Evidence Papers – Section 2 <p>The development of (or commentary on) monitoring and evaluation plans post Gateway Review 1 will not be covered.</p>

Source: SQW

B: Evidence of intervention impact (relevant where projects have been delivered)

Table A-2: Evidence of intervention impact (relevant where projects have been delivered) indicators

Indicator	Rating	Notes
1. Evidence that all evaluation activities set out in the evaluation plan developed by SQW has been completed. Evaluation plans developed sets out a range of activities, such as surveys, and before and after data comparisons that would inform reporting against logic models	Green	<p>A Locality Framework and then Locality Evaluation Plan were agreed and these are referenced in the main report and the three impact evaluation evidence papers.</p> <ul style="list-style-type: none"> • Main report – Sections 1 and 4 • All three Impact Evaluation Evidence Papers – Section 2
2. Evidence of delivery of the outcomes specified in the agreed logic model for each intervention	Green	<p>The achieved outcomes are reported in:</p> <ul style="list-style-type: none"> • Main report – Section 4 (Progress Evaluation) and Section 5 (Impact Evaluation) • Progress Evaluation Evidence Paper – Sections 4 and 5 • Aire Valley Park and Ride Impact Evaluation Evidence Paper – Sections 5 and 6 • Wakefield Kirkgate and Wakefield Eastern Relief Road Impact Evaluation Evidence Paper – Sections 5 and 6 • Fitzwilliam and South Elmsall Rail Parking Package Impact Evaluation Evidence Paper – Section 5
3. Where possible, evidence showing a reasonable expectation that interventions will have long-term positive economic benefits	Amber	<p>The potential long-term economic effects are reported, where appropriate, in:</p> <ul style="list-style-type: none"> • Main report – Section 4 (Progress Evaluation) and Section 5 (Impact Evaluation) • Progress Evaluation Evidence Paper – Sections 4 and 5 • Aire Valley Park and Ride Impact Evaluation Evidence Paper – Sections 5 and 6 • Wakefield Kirkgate and Wakefield Eastern Relief Road Impact Evaluation Evidence Paper – Sections 5 and 6 • Fitzwilliam and South Elmsall Rail Parking Package Impact Evaluation Evidence Paper – Section 5

Indicator	Rating	Notes
		Systematic modelling/quantitative analysis of future effects has not been covered.
4. Where possible, a description of outcomes that are expected to be delivered in the future	Green	As above
5. Delivery of information and data to SQW to evidence the outcomes of specific interventions	Green	As above

Source: SQW

C: Evidence of capacity development and partnership working

Table A-3: Evidence of capacity development and partnership working indicators

Indicator	Rating	Notes
1. Description of leadership roles and responsibilities assigned within the locality	Red	
2. A description of engagement between local authorities within the locality on development and decision-making, both in relation to specific interventions (where appropriate) and the Investment Fund as a whole	Amber	The increased levels of engagement between WYCA partner organisations is a key finding from the Capacity Development and Partnership Evaluation. For more details, see: <ul style="list-style-type: none"> • Main report – Section 6 • Capacity Development and Partnership Working Evidence Paper – Section 2 (e-survey feedback) and Section 3 (stakeholder consultation feedback)
3. Evidence that the City, CA or Cabinet has engaged stakeholders of a wider range, greater seniority and, where relevant, greater regularity than under previous governance and funding arrangements	Amber	As above
4. Evidence that the City, CA or Cabinet considered stakeholders' views during decision-making	Amber	As above

Indicator	Rating	Notes
5. Evidence that stakeholders felt it was easier and more beneficial to engage with the City, CA or Cabinet than with previous governance arrangements	Amber	As above
6. Description of how the new governance structures for economic development have affected decision-making across the locality	Green	The effectiveness of the new governance structures set up to manage the WY+TF is a key focus of the Capacity Development and Partnership Working Evaluation. For more details, see: <ul style="list-style-type: none"> • Main report – Section 6 • Capacity Development and Partnership Working Evidence Paper – Section 2 (e-survey feedback) and Section 3 (stakeholder consultation feedback)
7. Evidence of an improved plan for the development of the locality as a whole including evidence of consensus among stakeholders about the future development of the local economy compared to under previous governance and funding arrangements.	Green	The improved strategic vision and consensus building is a key finding from the Capacity Development and Partnership Working Evaluation. For more details, see: <ul style="list-style-type: none"> • Main report – Section 6 • Capacity Development and Partnership Working Evidence Paper – Section 2 (e-survey feedback) and Section 3 (stakeholder consultation feedback)
8. Description of how evidence has been used in the development of strategies and projects	Amber	As above

Source: SQW

D: Contextual economic forecasting and comparison to out-turns

Table A-4: Contextual economic forecasting and comparison to out-turns indicators

Indicator	Rating	Notes
1. Forecast of economic growth in locality for GVA and employment to Year [5 or 10]	Green	The results of the contextual economic forecasting are reported in Section 2 of the main report. Further detail on the approach is provided in Annex B of the main report.

Indicator	Rating	Notes
2. Forecast of economic growth nationally for GVA and employment to Year [5 or 10]	Green	As above
3. Out-turns of economic growth in locality for GVA and employment to Year [x]	Green	As above
4. Out-turns of economic growth nationally for GVA and employment to Year [x]	Green	As above

Source: SQW

Annex B: Peer Review comments

- B.1 The work of the National Evaluation Panel (NEP) was supported by an Academic Group who were sub-contracted to SQW. The Group included Professor Martin Boddy from the University of West of England, Professor Ron Martin from University of Cambridge, Professor Philip McCann from the University of Sheffield, Professor Peter Tyler from the University of Cambridge, and Professor Cecilia Wong from the University of Manchester.
- B.2 As highlighted in the National Evaluation Framework their role was “to provide expert ‘critical friend’ inputs throughout, focused on evaluation methods, data analysis, and interpretation”. The Academic Group provided feedback to SQW at each stage of the evaluation of the Leeds City Region Infrastructure Fund: the Locality Framework and Evaluation Plan; the Baseline Report; the One Year Out Report; and the Final Evaluation Report for Gateway Review 1.
- B.3 A meeting was held with SQW and Academic Group on 16 October 2019 to discuss the contents of the first full drafts provided to the locality on 29 September 2019³⁸. The main areas of feedback from the discussion and subsequent written feedback provided by the Academic Group members to SQW are summarised below, along with SQW’s response which has been reflected in the final versions of the reports.
- B.4 The overall feedback from the Academic Group was that the reports were well written, clearly structured and provided a good overview of the progress of the WY+TF and the early evidence of impact during the first five-year period of delivery, in line with the agreed Evaluation Plan. The Academic Group felt that the evidence base was strong, appropriate, well contextualised and presented. The analysis and interpretation were clear and measured, and drew fully on the available evidence, taking into account the challenges of assessing impact at this stage and given the relative scale of the interventions covered by impact evaluation in the wider transport network.
- B.5 The Academic Group felt that the report made a particularly strong and well-evidenced case that local capacity and partnership working has been enhanced; the analysis here from the online survey, though not from a large sample, was seen as particularly compelling.

Table B-1: Summary of peer review comments

Feedback from the Academic Group	SQW response
The Group noted how project design has been an issue causing delays in the WY+TF. It would also be helpful to link the finding around capacity building and creating and embedding new governance structures with the way in which the Fund had a slower start but is now building momentum at an operational level.	Project design issues have been clarified in Section 4 of the main report, alongside other factors influencing project delays. The link between capacity and momentum has been emphasised further in Section 6.
In the main report, it was noted that the statement regarding how improved travel outcomes associated with the WERR and Kirkgate are translating into economic impacts	This has been added to Section 5 of the main report to ensure that this issue/caveat is articulated clearly to the reader.

³⁸ The rail parking package impact evaluation was submitted on 11 October 2019, due to delays in receiving user survey results from WYCA.

Feedback from the Academic Group	SQW response
should be caveated so that it is clear this relates to survey respondents only.	
It was noted that many of the schemes supported by the WY+TF are car focused, although intended to encourage modal shift. Given commitments to carbon reduction and air quality, the objectives of modal shift should be made clearer.	This point has been emphasised in the main report where possible.
The Group noted that the considerable variation in progress across on-going interventions, which does make it challenging to provide an overall summary and assessment of the overall progress of the Fund. Linked to this, the Group observed that the Fund could be perceived as quite fragmented with over 50 interventions in total.	Across the 12 interventions that are within scope and still underway, progress is very variable for a range of reasons, and therefore it is difficult to present a succinct summary of progress, however we have reviewed the presentation of the evidence, and sought to provide a summary of this in the Executive Summary. We have also sought to emphasise that the projects delivered to date are part of a longer-term strategic package, and that cumulative benefits, spillovers and synergies are expected to become more apparent as more projects are implemented over the lifetime of the programme.
The Group suggested it would be helpful to show the proportion of all spend to date that is covered by the evaluation, and the proportion of spend within scope of the evaluation covered by the impact evaluation projects.	This has been added to Section 4 of the main report for clarity; the proportion of expenditure captured by interventions subject to impact evaluation has also been highlighted in the Executive Summary.
The Group felt that for the Kirkgate/WERR impact evaluation evidence gathering has been appropriate, although the use of a comparison area as a counterfactual would have added to the strength of the findings. However, the Group recognised this was very difficult in practical terms. The Group was satisfied with the approach taken and explanation of limitations in the report.	This point is acknowledged and noted; no changes have been made to the reports.
In Section 6 of the main report, the Group suggested it could be clearer in the qualitative analysis the source of the feedback, and the extent to which this was consistent across respondents.	SQW has made it clearer where a view was widespread across consultees or expressed by only some. Further detail is also available in the Capacity Building and Partnership Working Evidence Paper. However, consultations were undertaken confidentially, so we are not able to attribute comments to individuals.

Source: Academic Group and SQW

Annex C: Economic forecasts and out-turns

- C.1 This Annex provides further details regarding the economic forecasting workstream. This includes an overview of the approach, interpretation of the results including any limitations, and the detailed data from both the baseline forecasts and analysis of out-turns.

Approach

- C.2 As part of the Baseline Report, CE developed tailored baseline economic forecasts for Leeds City Region (LCR), based on a version of CE's Local Economy Forecasting Model (LEFM) that was available back in 2014.
- C.3 The tailored baseline economic forecasts were based initially on baseline economic projections from the LEFM, based on historical growth in the locality relative to the region or UK (depending on which area it has the strongest relationship with), on an industry-by-industry basis. It was assumed that those relationships continue into the future. The initial LEFM baseline projections did not take account of specific growth plans or major interventions that were in place at the time the Investment Fund was approved, but which could reasonably be expected to influence economic growth over the period to the first Gateway Review.
- C.4 The baseline LEFM projections were therefore revised to incorporate local information following desk-based research and a workshop with representatives from the Locality. The tailored baseline was developed within a version of LEFM calibrated to the local LCR economy, which incorporated GVA and employment adjustments to the non-tailored baseline as agreed by the local councils.³⁹
- C.5 This annex compares the tailored short-term economic forecasts developed for the Baseline Report with the actual outcomes over 2012-2018⁴⁰. The last year of historical data in the forecasts produced for the Baseline Report was 2012. The more recent actual outcomes data are taken from CE's updated historical database, which includes historical data to 2018. A sectoral comparison is also included, along with a comparison of the outturns at the UK and regional level.

Interpreting the results

- C.6 The forecasts set out in the Baseline Report and the more recent historical data to 2018 are both based on CE's historical employment and GVA databases, allowing a comparison to be made between the two datasets.
- C.7 While the method to process the data in the Baseline Report and the actual outturn data are the same, it is important to note the following differences in the underlying raw data when interpreting the results:

³⁹ Further details regarding the methodology and the effects of the tailoring are set out in the Baseline Report.

⁴⁰ The local area employment data in 2018 are estimates based on actual regional data. While the local area GVA data in 2018 are projections and are not based on actual regional data, they have been included for comparisons.

- **Time-coverage of the data:** The last year of actual local area employment data in the most recent data is 2017. The local area employment data in 2018 are estimates based on actual regional data. Changes at the regional (Yorkshire & Humber) level over 2017-18 are proportionately disaggregated across all local authorities in Yorkshire & Humber. The local area 2018 employment figures are therefore estimates, allowing an additional year to be used in the analysis. It is important to bear in mind, however, that the actual 2018 local area figures could be higher or lower if changes at the regional level were concentrated in particular local areas in Yorkshire & Humber. The local area GVA data in 2018 are projections and are not based on actual regional data. They are modelled results, based on CE's standard method to produce baseline economic projections. They have been included for comparisons.
- C.8 **Price base:** The price base of the GVA data has changed from £2010 in the baseline forecasts to £2016 in the latest historical data. The absolute GVA levels, therefore, cannot be compared between the two datasets. In order for both datasets to be compared, an indexed series has been created for both datasets where the GVA data in 2012=100. This allows recent growth rates to be compared with forecast growth rates. A similar approach has been taken when analysing the employment and productivity data.
- **GVA methodology:** Two changes regarding the GVA data drawn from ONS estimates are evident
- C.9 ONS published new local authority, NUTS2 and NUTS3-level GVA estimates based on an improved (balanced approach) methodology in 2018⁴¹. This new data have been incorporated into CE's latest historical database. The raw GVA data used in the Baseline Report was based on the old (income approach) NUTS2 GVA data available at the time, as the NUTS3 GVA data was not considered to be as robust.
- C.10 Additionally, ONS have published the latest NUTS2 GVA data by more detailed sectors than were available when the LEFM used in the Baseline Report was updated. The incorporation of raw GVA data at lower spatial levels means that in some instances GVA has been redistributed between local areas and sectors within a NUTS2 area. This could lead to differences between the GVA data used in the Baseline Report and the latest GVA data. However, the effect on total GVA for a larger area, such as LCR, and the effect on the growth rates by sector within the area will be limited, as this comparison focuses on broad sectors (not the detailed sector level in the new GVA data). A comparison between the forecasts is, therefore, still valid when analysing the indexed growth rate.
- C.11 These changes in the raw GVA data mean that any differences seen when comparing the short-term GVA forecasts from the Baseline Report to the actual outturns data could be due to the change in the GVA price base, improvements in the measurement and reporting of the GVA data and/or differences in what was expected back in 2014 versus what actually happened. There could be cases when variation between forecasts and actual data are explained more by

⁴¹ Balanced approach data is created by combining income and production approach data – a summary of how these approaches differ at the aggregate level can be found here: <https://www.ons.gov.uk/file?uri=/economy/regionalaccounts/grossdisposablehouseholdincome/methodologies/regionalaccounts/regionalrealgvatcm77262085.pdf>. A summary of how these two data sets are combined can be found here: https://consultations.ons.gov.uk/national-accounts/consultation-on-balanced-estimates-of-regional-gva/supporting_documents/Development%20of%20a%20balanced%20measure%20of%20regional%20gross%20value%20added.pdf

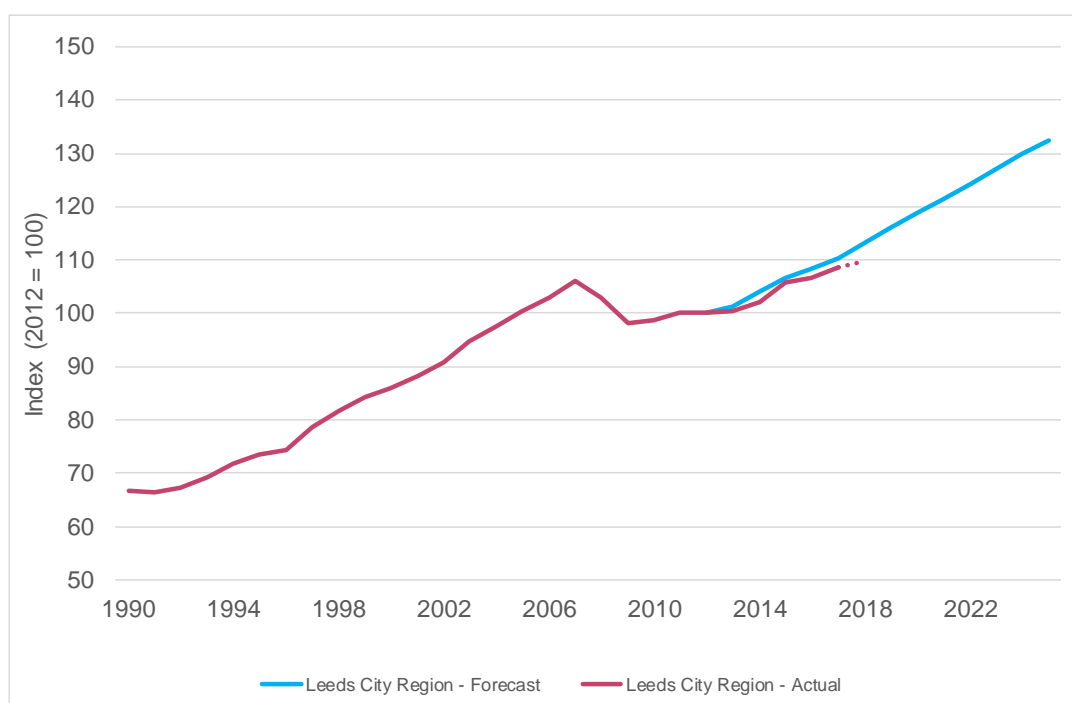
methodological issues. However, the impact on growth rates at the LCR level are likely to be limited. It is difficult to estimate the relative scale of importance between the factors causing possible differences, as they will affect each local area and sector differently. For this reason, it is better to focus more on comparing forecast and actual growth rates, rather than absolute levels, particularly as the price base of the GVA has changed.

Detailed data

GVA

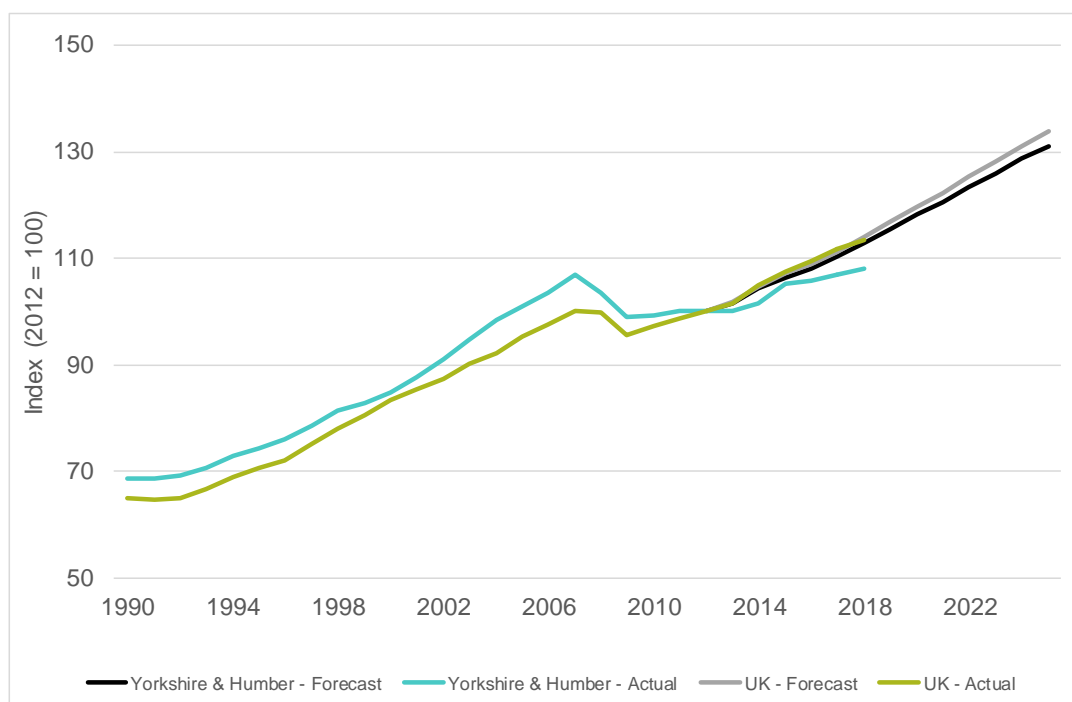
- C.12 Actual GVA growth in LCR and Yorkshire & Humber over 2012-18 has been slightly slower than was expected (see Figure B-1 and Figure B-2). LCR has grown by 1.6% pa over 2012-18. This is slightly slower than the UK (2.1% pa), but faster than Yorkshire & Humber as a whole, which grew by 1.3% pa over this period. GVA growth in LCR initially performed below expectations in 2014, before closing the gap in 2015. After this point the gap started to widen again.
- C.13 Actual GVA growth per annum in LCR over 2012-18 was 0.5 percentage points (pp) lower than was forecast in the Baseline Report. Similarly, GVA growth per annum in Yorkshire & Humber and the UK also underperformed the forecast by 0.7 and 0.1 pp respectively.
- C.14 The main driver of the underperformance was Electricity, gas & water, Information & communications and Government services, which accounts for about 30% of GVA within the LCR (see Table C-1). All of the other industries performed roughly in line with the forecast.

Figure C-1: GVA growth – Leeds City Region



Source: Cambridge Econometrics

Figure C-2: GVA growth – Yorkshire & Humber and UK



Source: Cambridge Econometrics

- C.15 Construction, Transport and storage, Finance and business services, and Other services performed roughly in line with the forecast, whilst Agriculture declined 14.3 pp faster per annum than was forecast. In contrast, Mining and quarrying grew 6.5 pp faster per annum than was forecast.

Table C-1: LCR GVA growth by sector, 2012-2018

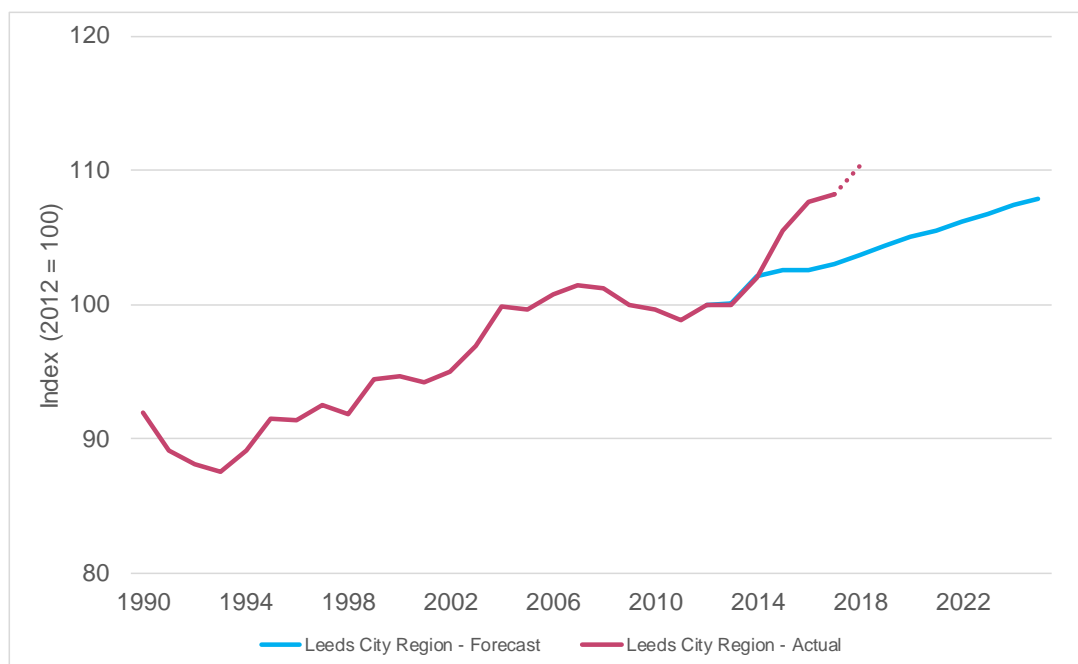
	Forecast growth (pa %)	Actual growth (pa %)	Percentage point difference (actual minus forecast)
Agriculture	-0.1	-14.4	-14.3
Mining & quarrying	-2.0	4.6	6.5
Manufacturing	1.3	0.7	-0.6
Electricity, gas & water	1.0	-1.3	-2.3
Construction	3.0	3.2	0.2
Distribution	2.9	3.8	0.9
Transport & storage	1.5	1.6	0.2
Accommodation & food services	2.1	1.8	-0.3
Information & communications	2.6	0.0	-2.5
Finance & business services	2.9	3.2	0.3
Government services	0.8	-0.1	-0.9
Other services	1.3	1.1	-0.2

Source: Cambridge Econometrics

Employment

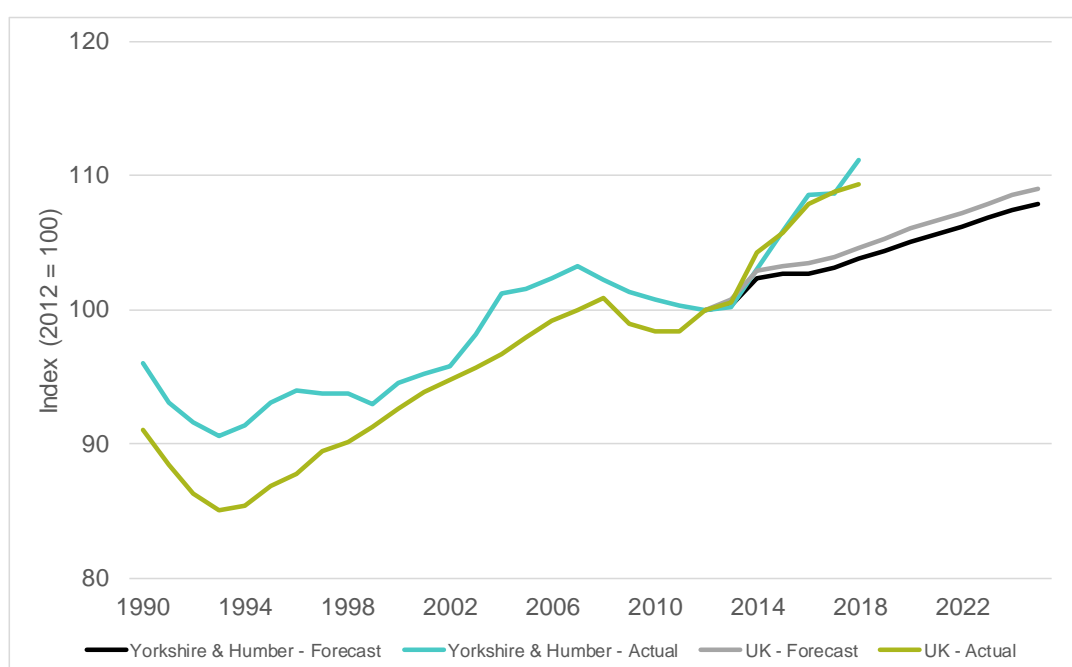
- C.16 Employment has grown above expectations in all areas (see Figure C-3 and Figure C-4). This is most notable for the UK, which has 1.7 million more jobs in 2018 than was expected, an equivalent to an additional 0.8 pp growth in employment per annum. Employment in LCR grew by 1.7% pa over 2012-18, compared to a forecast of 0.6% pa, resulting in 103,000 more jobs in the area by 2018 than was expected. This number particularly stands out in the wider context of Yorkshire & Humber, which outperformed the forecast by 191,000 jobs, meaning that more than half of the extra jobs were created in LCR.
- C.17 LCR first started to deviate from the expected growth path in 2015, and this gap continued to widen over the forecast period. The estimated data in 2018 shows a continuation of the recent trend in employment growth in LCR.

Figure C-3: Employment growth – Leeds City Region



Source: Cambridge Econometrics

Figure C-4: Employment growth – Yorkshire & Humber and UK



Source: Cambridge Econometrics

- C.18 The main sectors driving the higher than expected employment growth are Accommodation & food services, Transport & storage and Manufacturing (see Table C-2). These sectors are large employers in LCR, accounting for almost a quarter of total jobs in the area. Agriculture and Electricity, gas & water performed slower than expected, although these are small sectors in the LCR economy. The majority of the other sectors grew roughly in line with expectations.

Table C-2: LCR employment growth by sector, 2012-2018

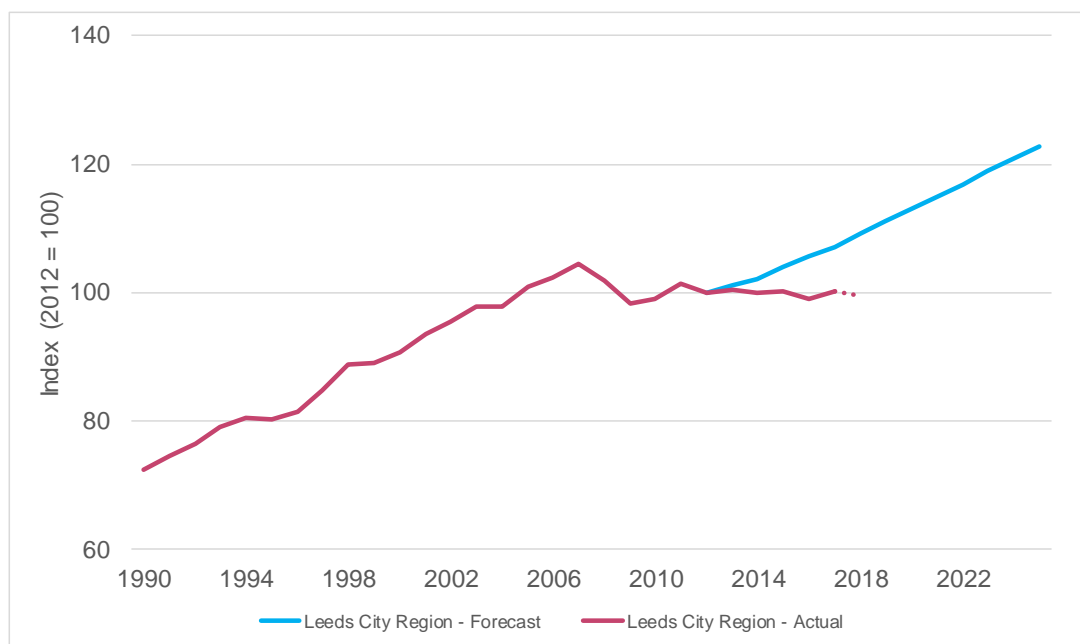
	Forecast growth (% pa)	Actual growth (% pa)	Percentage point difference (actual minus forecast)
Agriculture	1.4	-3.6	-5.0
Mining & quarrying	-4.7	0.0	4.7
Manufacturing	-0.7	2.0	2.8
Electricity, gas & water	2.5	0.5	-2.1
Construction	1.4	2.1	0.7
Distribution	0.5	1.8	1.3
Transport & storage	1.3	4.1	2.8
Accommodation & food services	-0.7	5.1	5.8
Information & communications	0.8	0.3	-0.5
Finance & business services	1.7	2.1	0.5
Government services	0.2	0.4	0.2
Other services	0.5	0.2	-0.3

Source: Cambridge Econometrics

Productivity

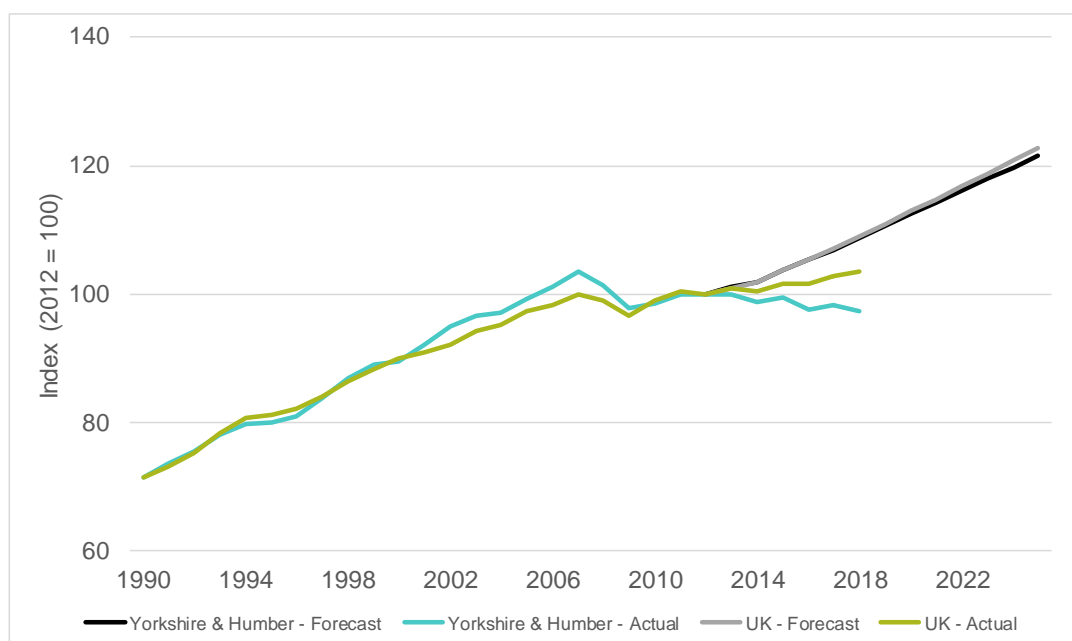
- C.19 Productivity growth was below expectations for all areas (see Figure C-5 and Figure C-6). This follows from the trends of poor GVA growth at a time of strong employment growth. The Baseline Report forecast productivity growth of 1.5% pa over 2012-18 in LCR, but actual growth was negative (-0.1% pa). Similarly, productivity growth in Yorkshire & Humber as a whole was -0.5% pa over 2012-18, compared to an expected 1.4% pa. So, while productivity grew slower than expected in the region as a whole, LCR has been less affected by this slower than expected growth than the rest of the region.
- C.20 Productivity growth in LCR has deviated from expectations since 2013 and the gap between forecast and actual productivity growth has widen over time.

Figure C-5: Productivity growth – Leeds City Region



Source: Cambridge Econometrics

Figure C-6: Productivity growth – Yorkshire & Humber and UK



Source: Cambridge Econometrics

- C.21 Productivity growth underperformed expectations in most sectors (see Table C-3). Accommodation & food services, Manufacturing, Transport & storage and Information & communications were the weakest performers relative to expectations. While productivity growth in Electricity, gas & water, Finance & business services and Other services performed closer in line with expectations.

Table C-3: LCR productivity growth by sector, 2012-2018

	Forecast growth (% pa)	Actual growth (% pa)	Percentage point difference (actual minus forecast)
Agriculture	-1.5	-11.2	-9.7
Mining & quarrying	2.9	4.6	1.7
Manufacturing	2.0	-1.3	-3.3
Electricity, gas & water	-1.5	-1.8	-0.3
Construction	1.6	1.1	-0.5
Distribution	2.4	2.0	-0.4
Transport & storage	0.2	-2.3	-2.5
Accommodation & food services	2.8	-3.2	-6.0
Information & communications	1.7	-0.3	-2.0
Finance & business services	1.2	1.0	-0.2
Government services	0.6	-0.5	-1.1
Other services	0.8	0.9	0.1

Source: Cambridge Econometrics

Conclusion

- C.22 GVA and productivity growth in LCR over 2012-18 has been slower than forecast, while employment has grown stronger than expected. This has been a UK wide trend, with the unemployment rate being at a record low and the phenomenon of flatlining productivity.
- C.23 Observed differences in expected GVA growth and actual GVA growth are likely to be largely due to deviation in actual growth from what was forecasted. It is difficult to estimate the extent of which improvements in the ONS GVA methodology causes possible differences between forecast and actual outturns, as each local area and sector will be affected differently. However, on the whole, the new ONS data are likely to have limited impacts on the deviation of actual GVA growth from what was expected in the Baseline Report at the LCR broad sector level.