

## Appraisal Panel Summary

<b>Project Name</b>	M1 Junction 37 Economic Growth Corridor (Phase 2 Claycliffe)		
<b>Grant Recipient</b>	Barnsley Metropolitan Borough Council		
<b>SCR Executive Board</b>	Infrastructure	<b>SCR Funding</b>	£10,636,628
<b>% SCR Allocation</b>	58.5%	<b>Total Scheme Cost</b>	£18,171,209.06

### Project Description

Following the separate approval given for the Pogmoor Rd/Dodworth Rd gyratory (Phase 1), this scheme now comprises the following off-site highway work:

1. Upgrade of Capitol roundabout / Capitol Close / Higham Lane (including the acquisition of third party land to facilitate the widening of Capitol Close);
2. Southern access into the MU1 site to enable housing development;
3. Northern access into the MU1 site to enable the primary school;
4. Improvements to Chestnut Tree roundabout to avoid queuing beyond the northern entrance;
5. Improvements to the M1 J37 signals;
6. A contribution towards developing the first stretch of the link road to accelerate delivery of the first phase of homes / commercial floor space and access to the primary school ( which is a planning requirement.)

### Strategic Case

This is phase 2 of a larger scheme (Phase 1 already being in contract) and is well aligned with the SEP as it aims to enable 1,700 new homes, a primary school and 3,510 gross new jobs on a currently inaccessible site (MU1 - 43 ha). Further, the proposal fits with Northern Powerhouse strategies to improve connectivity to existing and potential new development.

Locally, the Barnsley Jobs and Business Plan 2014-2017 identifies a shortage of appropriate employment development sites in the borough, impacting on its ability to generate the number of new private jobs required to achieve parity with regional job density statistics and contribute effectively to the SEP. The scheme is part of Barnsley's Local Plan adopted by full council on 3rd January 2019. The proposed projects support the principles of the Barnsley Transport Strategy 2014 – 2033, and once completed will provide better connectivity and opportunities for local people to access work and address social exclusion.

### Value for Money

The scheme will deliver 1,923 net additional jobs which equates to an estimated net public sector (LGF) cost per job of £5,531. On this basis, the LGF investment will offer good value for money.

The net present value (NPV) of the GVA impact over ten years is estimated to be £311.4m. This represents a return of £30.30 for every £1 of LGF investment.

### Risk

The promoter accepts the following risks to their costs and to the delivery of job outcomes:

1. Third Party Land at MU1 not secured (despite options agreement signed with landowner)
2. Contract price variation.
3. Development at MU1 takes longer to build out than expected for any reason
4. Planning permission for development not secured at the date (18/2/20) due to objections from local residents (Master planning is in progress as part of community consultation).

### Delivery

Procurement of works will be undertaken when SCR funding is approved, either via the in-house team or externally, depending on tender prices. In principle, the choices are:

1. North and south access roundabouts – private developer procurement (who are funding the rest of the link road)
2. Chestnut Tree Roundabout – in-house delivery

3. Capitol Close/Higham Common Lane – Either in house or external procurement. The in-house team are highly experienced in work of this kind. It is understood that the developer consortium have entered into land agreements and are committed to the development and will therefore take the risk of cost overruns.

**Legal**

BMBCs solicitors Pinsent Masons, advise that the scheme does not break State Aid rules and recommend actions to ensure this remains the case during the delivery process.

<b>Recommendation</b>	Approve for funding
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<b>Payment Basis</b>	Payment by defrayal
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**Conditions of Award:**

**Full approval and award of contract is recommended, subject to the following conditions being satisfied prior to contract execution:**

1. Formal confirmation of all other funding approvals required to deliver the project
2. BMBC's commitment to cover any cost increases.
3. Confirmation that all statutory approvals are in place, including planning permission.
4. Detailed SMART objectives to ensure that each one can usefully contribute towards the monitoring of the outputs/outcomes of the LGF Grant.
5. Detailed milestones which will be monitored against, and if not met, may result in funding being withdrawn
6. Submission of a formal confirmation of the State Aid position.

*The conditions above should be fully satisfied by 31<sup>st</sup> January 2020. Failure to do so could lead to the withdrawal of approval*

**The following conditions must be satisfied before drawdown of funding:**

7. Submission of detailed compliant procurement plan
8. Confirmation of the agreed contract price with the preferred contractor(s) and any relevant conditions precedent thereof.

**The following conditions must be included in the contract:**

9. Clawback on outcomes.
10. Specifically, with regards to employment, a minimum of 1,457 new jobs (gross) will have to be created by the end of March 2029 as a result of this investment, for the value for money position to remain acceptable. If this threshold is not achieved, BMBC will return £2,190 for each job that is not created by 2029 up to a cap equivalent to 30% of the SCR grant (£3,190,988). BMBC will be required to submit reasonable and sufficient evidence to prove job creation.

**Record of Recommendation, Endorsement and Approval**

**Project Name: M1 J37 Economic Growth Corridor (Phase 2, Claycliffe)**

<b>Appraisal Panel Recommendation</b>		<b>Board Endorsement</b>		<b>CA Approval</b>	
<b>Date of Meeting</b>		<b>Date of Meeting</b>		<b>Date of Meeting</b>	
<b>Head of Paid Service or Delegate</b>	RuthAdams	<b>Endorsing Officer (Board Chair)</b>		<b>Approving Officer (Chair)</b>	
<b>Signature</b>		<b>Signature</b>		<b>Signature</b>	
<b>Date</b>		<b>Date</b>		<b>Date</b>	
<b>S73 Officer or Delegate</b>		<b>Statutory Finance Officer Approval</b>  <b>Name:</b>  <b>Signature:</b>  <b>Date:</b>			
<b>Signature</b>					
<b>Date</b>					
<b>Monitoring Officer or Delegate</b>					
<b>Signature</b>					
<b>Date</b>					

