

Report of Director of City Development

Report to Executive Board

Date: 21 June 2017

Subject: Leeds Public Transport Investment Programme

Are specific electoral wards affected? If yes, name(s) of ward(s): All	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary of main issues

1. Leeds is a growing and successful city. In the city centre there has been extensive development in recent years, reinforcing the city's position as a major retail and office location. In addition, outside of the city centre, key economic centres such as Thorpe Park, Leeds Bradford Airport and White Rose Centre continue to expand. The growth of Leeds' economy is crucial to helping achieve better economic outcomes across the region and the North.
2. Alongside the planned housing growth that is required in future years, it means significant investment in the transport system is needed in the short, medium and long term to support the level of growth anticipated. Our vision is for Leeds to be a compassionate, caring city with a transport system that helps all our residents benefit from the city's economic growth. Getting our transport system right is a critical element of achieving the Council's Best City ambition.
3. What is clear is that these transport improvements are needed now. On the 21st April 2017 the DfT approved the funding of £173.5m for the Leeds Public Transport Programme (LPTIP). This programme is a crucial element of our transport strategy, providing investment and delivering transport improvements in the short term as we move forward with our long term transport strategy. The programme also builds on recent successes such as the Park and Ride site at Elland Road, the opening of Leeds Southern Station Entrance and Kirkstall Forge Railway Station, quality bus corridors and significant junction improvements. The programme also aligns with

proposals for HS2 and Northern Powerhouse Rail to maximise this transformational opportunity for the city, and also compliments investments being made through the West Yorkshire Transport Fund programme.

4. To move forward with our ambitions for our city, the programme comprises of a package of public transport improvements that, taken together, will deliver a major step change in the quality and effectiveness of our transport network. Headline proposals include:
 - A new Leeds High Frequency Bus Network – over 90% of core bus services will run every 10 minutes between 7am and 8pm.
 - Additional investment of £71m by First group to provide 284 brand new, comfortable, and environmentally clean buses with free wi-fi and contact-less payments which will achieve close to a 90% reduction in NOx emissions by 2020.
 - Development of three new rail stations for key development and economic hubs serving Leeds Bradford Airport, Thorpe Park and White Rose.
 - 2000 additional park and ride spaces with the first new site opening at Stourton.
 - A 1000 more bus stops with real time information.
 - Making three more rail stations accessible at Cross Gates, Morley and Horsforth.
 - Creating 21st Century interchanges around Vicar Lane, the Headrow and Infirmary Street and improved facilities in our district centres.
5. Resources are currently being mobilised to ensure the successful and timely delivery of this programme. This funding was offered to Leeds subject to the submission of an acceptable Statement of Case setting out proposals for expenditure to deliver public transport improvements in Leeds. One of the conditions from the DfT is that improvement schemes funded by the £173.5m must be substantially delivered by 2020/21.
6. Monies from Leeds and the West Yorkshire Combined Authority (WYCA) of £8.8m and £1m respectively will increase the funding to £183.3m. In addition Private Sector finance including expenditure on more environmentally friendly buses by bus operators could bring the total investment to over £270m.
7. In December 2016 Executive Board approved the expenditure of £8.8m LCC capital monies formerly earmarked for NGT to progress the development of these transport improvements.
8. Approval is now sought for approval to spend a total of up to £15.31m from the £173.5m to progress the programme and carry out feasibility design. This programme of improvements is being jointly developed by LCC and the West Yorkshire Combined Authority.

Recommendations

9. Executive Board is recommended to:
 - i) Note the Government Approval of £173.5m towards public transport improvements in Leeds and the contents of the approval letter (see Appendix 1);
 - ii) Inject the Department for Transport grant of up to £173.5m towards public transport improvements in Leeds as set out in the contents of the approval letter subject to the finalisation of a grant agreement with West Yorkshire Combined Authority (WYCA) in accordance with their assurance framework and those elements of the programme to be delivered directly by WYCA;
 - iii) Approve the expenditure of up to £15.31m from the £173.5m Government funding to progress the Leeds Public Transport Improvement Programme, subject to finalising those elements to be directly delivered by WYCA;
 - iv) Note that officers will return to Executive Board in due course to seek approval to carry out detail design and construction on schemes as they are developed;
 - v) Continue to negotiate with bus operators, developers and partners to leverage significant additional financial investments to support the Leeds Public Transport Investment Programme;
 - vi) Give authority to enter into a Grant Agreement with the West Yorkshire Combined Authority for the expenditure of monies; and
 - vii) Note that the Chief Officer, Highways and Transportation is responsible for the programme delivery.

1. Purpose of this report

- 1.1 The total value of the programme of works for LPTIP is around £270m. This report requests authority to spend a total of up to £15.31m from the DfT funding for scheme and package development and overall programme management costs for 2017/18. A breakdown of costs can be found at para 4.4.4. Furthermore this report sets out the next steps for delivering the Leeds Public Transport Investment Programme.

2. Background information

- 2.1 Leeds is a growing and successful city. In the city centre there has been extensive development in recent years, reinforcing the city's position as a major retail and office location. In addition, outside of the city centre, key economic centres such as Thorpe Park, Leeds Bradford Airport and White Rose Centre continue to expand. The growth of Leeds' economy is crucial to helping achieve better economic outcomes across the region and the North.

- 2.2 Alongside the planned housing growth that is required in future years, it means significant investment in the transport system is needed in the short, medium and long term to support the level of growth anticipated. Our vision is for Leeds to be a compassionate, caring city with a transport system that helps all our residents benefit from the city's economic growth.

Accordingly, the development of the emerging Leeds Transport Strategy was built from the overarching themes as presented in the Leeds Transport Vision reported to Executive Board in October 2015. This programme will allow an early start to deliver transport improvements in Leeds.

- 2.3 Getting our transport system right is a critical element of achieving the Council's BestCity ambition. Our headline aims are for a transport system to support a city which is:-

- Prosperous
- Healthy
- Liveable

- 2.4 Accordingly in December 2016 Executive Board agreed the submission of an Outline Strategic Case for the Leeds Public Transport Investment Programme to DfT for £173.5m for public transport. With anticipated local and private sector contributions the total investment package is worth c.£270m. At present the total public funding confirmed comprises the contributions from DfT (£173.5m), LCC (£8.8m) and WYCA (£0.97m) totalling £183.3m.

- 2.5 The Outline Strategic Case proposed a package of public transport improvements that, taken together, will deliver a major step change in the quality and effectiveness of our transport network. Headline proposals, include:

- A new Leeds High Frequency Bus Network – over 90% of core bus services will run every 10 minutes between 7am and 8pm.

- Development of three new rail stations for key development and economic hubs serving Leeds Bradford Airport, Thorpe Park and White Rose.
- 2,000 additional park and ride spaces with the first new site opening at Stourton.
- 1,000 more bus stops with real time information.
- Making three more rail stations accessible at Cross Gates, Morley and Horsforth.
- Creating 21st Century interchanges around Vicar Lane, the Headrow and Infirmary Street and improved facilities in our district centres.
- Providing improved connectivity across areas, for example between communities along the outer ring road.

2.6 In addition investment by bus companies to provide new, comfortable, and more environmentally clean buses with free wi-fi and contact-less payments which will achieve an estimated reduction of up to 90% in bus related NOx emissions by 2020.

2.7 Through the measures in this programme the key aims are to:

- Move forward the goal of doubling bus patronage from 2016 levels within 10 years.
- Significantly improve air quality and reduce carbon emissions.
- Support economic growth and job creation
- Reduce congestion.
- Work towards all rail stations in Leeds being fully accessible.

2.8 This package supports our overarching objectives:

- **Prosperous Leeds** – more people using a modern and attractive bus service and greater access to the rail network will enable the city to better accommodate growth. Improving the city centre environment will help attract new businesses and improve the city's readiness for future opportunities such as HS2 and the European Capital of Culture.
- **Liveable Leeds** – the improvements to the city centre and district centres will make them more people friendly. People will have access to a wider labour market. The significant programme of projects will support new opportunities for skills development and new and better local jobs. People of all abilities will have more opportunities to connect to the rail network.
- **Healthy Leeds** – people friendly streets encourage more walking and cycling whilst improvements to our bus fleet and more people travelling by public transport will improve air quality and reduce carbon emissions.

2.9 These proposals will build on recent successes such as the Park and Ride site at Elland Road, the opening of Leeds Southern Station Entrance and Kirkstall Forge Railway Station, quality bus corridors and significant junction improvements. More is planned over the coming years through the West Yorkshire Transport Fund programme, including the city's second park and ride site at Temple Green Park and Ride site which opened earlier this week.

2.10 The aims and ambitions of this package of public transport improvements have been informed by the ongoing Transport Conversation. Local communities and

Ward Members will continue to be engaged to ensure that any emerging proposals meet their aspirations.

- 2.11 Our ambition remains to have a transport system that can move large numbers of people through the city. We will be reviewing the options for mass-transit solutions – be that light rail, tram-train or tram. However, developing and implementing such an option will take a number of years. As transport improvements are needed now the recommendation is for a Leeds Public Transport Investment Programme that will help deliver the proposals in paragraph 3.3 in the shorter term. This programme consists of transforming the bus network, developing new and existing rail stations and world class city centre gateways and high quality transport hubs across the District.
- 2.12 In order to advance the delivery of these improvements the Council and WYCA are having discussions with bus operators around a package of proposals involving investment by them in vehicles, fares, ticketing and route network which will complement capital investment in bus infrastructure by the Council. The first agreement to be reached is with First, the main bus operator in Leeds.
- 2.13 Alongside the delivery of this short term programme, the Leeds Transport Strategy will be developed further in the next year, building on and continuing the transport conversation to set out the long term interventions the city needs to become the ‘Best City’ for transport. This Executive Board Report sets out the proposed Leeds Public Transport Investment Programme and the next steps for the development of a longer term strategy to be published next year that will support our ambition for transport to create a prosperous, healthy and liveable city.
- 2.14 In addition to the programme outlined in this report a further £450m investment is planned for Leeds through the West Yorkshire Transport Fund programme which complements and improvements now being undertaken to the local rail and motorway networks. Taken together these measures will allow easier and quicker access to jobs and services for the people of Leeds.
- 2.15 In December 2016 Executive Board approved the expenditure of £8.8m LCC capital monies to progress the development of these transport improvements.
- 2.16 The schemes to be included within the Leeds Public Transport Investment Programme have been selected to deliver the following aspirations:
- Support economic growth by unlocking transport constraints in key growth areas and across the city.
 - Align with the emerging Leeds Transport Strategy, West Yorkshire Transport and Bus Strategies, as well as the national/pan northern growth strategies including HS2 and Northern Powerhouse Rail.
 - Improve health outcomes especially air quality by reducing transport emissions and making a significant contribution towards compliance with DEFRA’s legal requirement of the city.
 - Complement the existing schemes being delivered through the WYTF such as Leeds City Centre Package and the Corridor Improvement Programme.
 - Reflect the key messages from the Transport Conversation in terms of improving public transport operation and quality.

- Are deliverable within the short to medium term (DfT completion date 2021) taking into consideration land requirements and public acceptability
- To leverage match funding from the private sector, both public transport providers and developments / businesses who will benefit from the public investment.
- Cognisance of and adaptability for the delivery of the longer term strategy.

3. Main Issues

On the 21st of April 2017 the Government confirmed the release of the £173.5m funding. The decision letter with conditions for the expenditure is enclosed in Appendix 1 of this report. One of the conditions from the DfT is that improvement schemes funded by the £173.5m must be substantially complete by 2020/21.

3.1 A Programme Board and Structure have been set up, the procurement of a development partner has commenced, and base lining information is being collated. Approval is now sought to spend a total of up to £15.31m from the £173.5m to progress the programme and feasibility design to develop Outline Business Cases for individual schemes within the programme. Further approvals will then be sought to undertake detail design and construction. This programme of improvements is being jointly developed by LCC and the West Yorkshire Combined Authority.

3.2 The Statement of Case that was submitted, incorporated three key core elements:

- Transforming the bus network
- Rail stations at key economic, housing growth and employment locations
- World class city centre gateway, being HS2 ready and high quality transport hubs

3.3 These themes are further broken down into the following packages of work (each with numerous schemes) as summarised below:

- Bus Priority Corridors
Investment in a number of key routes into the city centre to reduce bus journey times and improve bus service reliability thereby improving access to jobs and services. High quality bus priority corridors and /or bus priority measures will be provided which address traffic hotspots including the following key corridors;
 - A61/A639 South
 - A61 North
 - A660
 - A58
 - A647

All embedded in an integrated approach with flexibility to examine and develop other corridors as part of the overall 10 year target for bus use and passenger experience.

- Bus Park and Ride
New park and ride facilities will be developed at Stourton, South of the city with further expansion of the scheme at Elland Road and provision for further provision following a review of the requirements in the North of the city. This will give many more people a viable alternative to driving into the City Centre.

- City Centre gateways
City centre road layouts and infrastructure will be redesigned to reduce congestion, cater for the projected increase in bus patronage, improve transit times for buses and enhance the pedestrian environment along key arrival and departure points and corridors, including:
 - Woodhouse Lane
 - Leeds Bus Station
 - Corn Exchange
 - The Headrow
 - Albion Street
 - Infirmary Street
 - Public transport box

- Rail
The programme will develop three new rail stations across the city at proposed sites serving Leeds Bradford Airport, Thorpe Park and White Rose with accessibility improvements at a further three station; Cross Gates, Morley and Horsforth. Furthermore it is proposed that the car park facilities at New Pudsey are expanded to increase its capacity within the Leeds Bradford corridor. There is also a proposal to upgrade Leeds station as a centrepiece for the regional transport network. These measures will; increase the accessibility to the rail network particularly housing and economic growth areas, provide a greater number of park and ride places and improve the poor surface access to the airport.

- Bus Transformation
This will include a review of local service connectivity throughout the Leeds district with funds made available for community led transport projects. The potential for bus top up grants will be considered and promoted by WYCA where essential to supporting the city reach the standard for low emissions by 2020. The package will further support real-time information improvements at bus stops and transport hubs. These measures will increase accessibility and improve the customer experience on the buses

- Mass Transit
Development of a longer term approach to mass transit taking on board the present developing and expanding offer from the heavy rail system as part of concluding the work on the future city Transport Strategy and the ongoing development of the HS2 Growth Strategy and planning.

In addition there will be investment from Bus Operators to upgrade their vehicles including a commitment from First West Yorkshire to introduce to the network 284 new vehicles at a Euro VI standard (low emission) to replace Euro IV and the majority of Euro V buses – with a commitment to enhance this where feasible through the deployment of Ultra Low Emission Buses.

- 3.4 The Council's Highways and Transportation service will lead delivery of the following packages;
- Bus Priority Corridors
 - Bus Park and Ride

- City Centre gateways

The remaining packages will be led by WYCA with input by LCC.

3.5 The funding from the DfT is made through WYCA and expenditure approvals will be through the WYCA Assurance Framework process. A programme level Expression of Interest (EoI) was submitted to WYCA on the 10th May 2017 in order to begin the assurance process. Approvals for the expenditure of the £15.31 m will subsequently be sought from the WYCA Investment Committee and WYCA Board in June 2017.

3.6 To progress the programme of schemes a development partner and delivery partner are to be appointed to progress the schemes. Guidance is being drafted to issue to the development partner on the process to be followed and standards to be adopted to ensure a consistent approach that aligns with the aims and objectives of the LPTIP.

3.7 At this stage individual scheme milestones are yet to be developed. However the broad milestones for the programme are set out below:

WYCA and LCC approvals for initial spend	June 2017
LCC Development Partner appointed	August 2017
Initial Outline Business Case package/scheme approval sought: (most advanced schemes)	Q4 2017/18
LCC Delivery partner appointment	Q3/Q4 2017/18
Construction and Delivery	2018/19–20/21

3.8 Resources are being mobilised to achieve the above challenging timescales. Some early schemes will be delivered; indeed, St Peter's Street crossing with modified bus station egress arrangements is on site and is due to be completed in September. Opportunities are being taken to fast track other elements of the package, including the development of park and ride proposals for Stourton adjacent to the M621.

4. Corporate considerations

4.1 Consultation and engagement

4.1.1 The initial feedback from the Leeds Transport Conversation, including meetings with Community Committees has informed the selection of initial measures included within the Leeds Public Transport Investment Programme outlined in the Statement of Case.

4.1.2 The initial emerging proposals will be discussed with Community Committees in the Autumn as part of the ongoing Leeds Transport Conversation.

4.1.3 Engagement with local communities will commence as individual scheme proposals emerge. A prospectus is being drafted for the Bus Priority Corridors element of LPTIP to inform the public of the rationale for investing in bus infrastructure and how it links to the Leeds Vision and the ongoing Transport Conversation. The prospectus also outlines the benefits of bus infrastructure investment, highlighting the proposed interventions and engagement process.

4.2 Equality and diversity / cohesion and integration

4.2.1 The Equality, Diversity Cohesion and Integration Screening (EDCI) for this programme was undertaken and presented in the report approved by Executive Board at the December 2016 meeting. This screening highlighted that the proposed predominately public transport based bus programme has the potential for a positive impact on all equality characteristics. The interim conversation feedback, which includes consultation with all equality groups has informed the development of this programme. The Transport Conversation and the dialogue with equality groups and communities will continue as the longer term Leeds Transport Strategy is developed. Individual schemes within this programme will also have their quality impacts assessed when they are taken through the stage approval process, where the appropriate EDCI assessment procedure will be undertaken. As individual schemes are progressed this document will be reviewed and updated as required.

4.3 Council policies and best council plan

4.3.1 The anticipated benefits of using the £183.3m to create improvements to the Leeds transport network has the potential to contribute to the vision for Leeds 2030 to be the best city in the UK, and the following best Council objectives; promoting sustainable and inclusive economic growth, supporting communities and tackling poverty, building a child-friendly city and contributes to the Council's cross cutting '*World-class events and a vibrant city centre that all can benefit from*' Breakthrough Project'.

4.3.2 The strategy also contributes to the objectives of the Local Development Framework, Leeds Core Strategy, Local Transport Plan 3, emerging WYCA Transport Strategy, and Strategic Economic Plan.

4.4 Resources and value for money

4.4.1 The preparation of the Strategic Outline Case and early development of the programme has initially been met through the £8.8m previously approved and approximately £180K has been spent to date. The remaining element of the £8.8m will be held for delivering and completing the programme post 2020/21 and for contributing towards the costs of investigating options for mass transit which are not covered by the DfT monies..

4.4.2 On the 21st April the DfT confirmed that funding would be granted according to the profile below subject to satisfactory progress being made in delivering the programme.

2017/18	2018/19	2018/20	2020/21
£21m	£48.7m	£49.1m	£54.7m

A copy of the DfT letter with conditions is attached at Appendix 1 of this report.

4.4.3 The complementary funding contributions from both LCC and WYCA will be made during the course of the Programme as required.

Currently other funding sources are being explored and this may yet increase the LPTIP funding available.

4.4.4 The components of the funding proposal outlined in this report are as follows:

SOC Budget Estimate by Package	Funding Required for Initial Feasibility designs (£000)
Bus Priority Corridors	5,260
Park and Ride	2,750
City Centre Gateways	2,900
Rail	1,950
Bus Delivery	1,450
Programme Management including LCC & WYCA programme development, consultation, legal, programme assurance and procurement etc.	1,000
Total	£ 15,310

4.4.5 Budget cost estimates were initially established for each package within the programme as part of the Strategic Outline Business Case to the DfT. As packages progress individual detailed scheme budgets will be developed and further approvals will be sought to progress these schemes to detail design and construction.

4.4.6 The DfT funding of £173.5m is being made to WYCA. One of the conditions in the letter from the DfT is that investment decisions on individual components of the package will be made locally in accordance with the WYCA Assurance Framework previously agreed with the government. A parallel authorisation is currently being progressed through this assurance process with WYCA to release for expenditure of the £15.31m identified above.

4.4.7 To enable schemes to be identified and developed including initial feasibility design a total of £15.31m as identified above has been identified by LCC and WYCA.

4.4.8 Further Authority to Spend will be requested in due course to carry out detail design and construction for scheme(s).

4.5 Legal implications, access to information, and call-in

4.5.1 This report is eligible for call-in. There are no specific legal implications arising from this report.

4.6 Risk management

4.6.1 The LPTIP serves to make progress towards the Leeds Vision. If the programme is not implemented, Leeds will not be able to develop in the way articulated above.

4.6.2 Given the timescales available to assemble the high level programme, there will need to be some flexibility to adjust the programme to meet cost, programme and deliverability changes.

- 4.6.3 The schemes will be assured through the WYCA framework set up for the West Yorkshire Transport Fund, already approved by the Department for Transport. Progression through this assurance process in a timely manner is necessary in order to avoid delays to the overall programme delivery.
- 4.6.4 A Programme Board has been established to manage delivery of the Programme. The board comprises officers from both LCC and WYCA and is chaired by the Chief Officer, Highways and Transportation.
- 4.6.5 Interim milestones and key performance indicators are being developed to monitor progress and to ensure timely delivery of the programme and the agreements with key partners.

5. Conclusions

- 5.1 Leeds is a successful city and its economy continues to grow. Improving the existing transport network is an important enabler helping Leeds to be a prosperous, liveable and healthy city. Accordingly, the £173.5m funding allocated from DfT added to local funding creates an opportunity to deliver £270m of improvements to public transport in Leeds in the short to medium term. These will include a transformation of the bus network, plans for new rail stations at key employment growth locations, build some world class city centre gateways and pave the way for ambitious longer term plans emerging through the Leeds Transport Strategy.
- 5.2 These proposals will make a significant contribution to the quality of life of people living, working and visiting the city and contribute to its on-going growth and economic success.

6. Recommendations

- 6.1 Executive Board is recommended to:
- i) Note the Government Approval of £173.5m towards public transport improvements in Leeds and the contents of the approval letter (see Appendix 1);
 - ii) Inject the Department for Transport grant of up to £173.5m towards public transport improvements in Leeds as set out in the contents of the approval letter subject to the finalisation of a grant agreement with West Yorkshire Combined Authority (WYCA) in accordance with their assurance framework and those elements of the programme to be delivered directly by WYCA;
 - iii) Approve the expenditure of up to £15.31m from the £173.5m Government funding to progress the Leeds Public Transport Improvement Programme, subject to finalising those elements to be directly delivered by WYCA;
 - iv) Note that officers will return to Executive Board in due course to seek approval to carry out detail design and construction on schemes as they are developed;
 - v) Continue to negotiate with bus operators, developers and partners to leverage significant additional financial investments to support the Leeds Public Transport Investment Programme;

- vi) Give authority to enter into a Grant Agreement with the West Yorkshire Combined Authority for the expenditure of monies; and
- vii) Note that the Chief Officer, Highways and Transportation is responsible for the programme delivery.

7. Background documents¹

7.1 None.

8. Appendices

8.1 Appendix 1 – Department for Transport letter

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.