

## Report of Head of Station Development

## Report to Director of City Development

Date: 8<sup>th</sup> July 2019

**Subject: Request for the waiver of Contract Procedure Rules 8.1 and 8.2 to appoint an Economic Consultant with Transport Specialism.**

Are specific electoral wards affected? If yes, name(s) of ward(s): City & Hunslet	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input type="checkbox"/> Yes <input checked="" 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 City Council has a key role to play in driving forward economic growth and regeneration in the city, and in providing quality infrastructure for its residents to deliver its ambition to be the best city in the UK, with a strong economy in a compassionate city. The transformation of Leeds Station is one such example of this, creating a station which is a world class gateway, a stimulus for regeneration and can accommodate the huge rail growth that has been projected in the city.
2. As part of their work on the station, the Council has developed, in partnership with a number of organisations, the Leeds Integrated Station Masterplan (LISM). This masterplan is a comprehensive study that will guide the future design and development of Leeds Station, ensuring that Leeds has a joined up plan to maximise the benefits of the arrival of HS2 by transforming the station and the Leeds City Region. The HS2 Growth Strategy has been developed to get the best out of the HS2 development for the city and the region to make sure that all benefits are met
3. Leeds City Council's Station Development Team require an Economic Consultant with Transport Specialism to provide transport and economic advice to support the continuing detailed development of the case for Leeds Station and HS2 investment.
4. In 2015 Volterra were commissioned to provide a report to set the case for HS2 in Leeds and the City region. The report represents the evidence base for an evolving economic development strategy for the city region to maximise the economic benefits of HS2. Following on from the 2015 report on the economic strategy for a HS2 station in Leeds we require an up to date report taking into account the current economic position and some uncertainties about the prospects for the scheme.

5. This waiver is seeking authority to waive Contract Procedure Rules number 8.1 and 8.2 – Intermediate Value Procurements, and appoint Volterra an Economic Consultant with Transport Specialism. Leeds City Council does not have this expertise in house. Volterra has specialist expertise and rail industry knowledge to be able to deliver the advice required and already hold the base information needed to effectively provide the requested refresh of advice.

## **Recommendations**

The Director of City Development is recommended to:

- a) Waive Contract Procedure Rules number 8.1 and 8.2 – Intermediate Value Procurements, and appoint Volterra an Economic Consultant with Transport Specialism. The appointment of a Volterra will support the Station Development team as they will provide transport and economic advice on what detailed works are required for Leeds Station and HS2. Volterra will provide an up to date report on the economic strategy for a HS2 station in Leeds. This contract will have a cap of £25,000.

### **1. Purpose of this report**

- 1.1 The purpose of this report is to request a waiver of CPRs 8.1 and 8.2 to commission Volterra an Economic Consultant with Transport Specialism.

### **2. Background information**

- 2.1 Leeds Station is the busiest transport hub in the North of England and one of the most important pieces of infrastructure in the UK, with annual passenger numbers of 31 million. Passenger demand is expected to more than double with growth of 49% by 2023 and by 135% by 2043.
- 2.2 In order to accommodate this passenger growth and future growth including Northern Powerhouse Rail, the station needs to receive significant investment for its redevelopment and transformation.
- 2.1 Furthermore, the proposed HS2 Station will integrate with the current station, again highlighting the need for a proactive plan for investment to secure the station's redevelopment. The arrival of HS2 will be substantial and form part of a regeneration scheme of national significance, representing one of the largest national infrastructure projects the UK has seen in decades. The proposals contained within the draft LCR HS2 Growth Strategy can directly create 40,000 jobs – contributing to the creation of many more jobs indirectly – and bring an estimated additional £54bn to the region's economy.
- 2.2 A Leeds Integrated Station Masterplan (LISM) has been developed which sets out a spatial strategy for the future redevelopment and transformation of the station and the wider Station District to accommodate the aforementioned rail passenger growth and the arrival of HS2.
- 2.3 The LISM document was developed through collaboration between the Council, HS2, Network Rail, West Yorkshire Combined Authority, Transport for the North, DCLG, LCR, MHCLG and DfT, and was produced by Atkins and Gensler, who through this process have developed comprehensive knowledge of the LISM

document, the city's plans for the station and the council's collaborating organisations.

### **3. Main issues**

#### **3.1 Request for CPRs waiver**

- 3.1.1 A request is being submitted to waive CPRs 8.1 and 8.2 to appoint a Volterra an Economic Consultant with Transport Specialism to provide transport and economic support and advice to the Station Development team on what detailed works are required for Leeds Station and HS2 due to the fact that we do not have in-house experts.
- 3.1.2 The collaborative nature of work on the station due to the number of landowners and public bodies involved means that strong working relationships are required not just with the council but with these partner organisations.
- 3.1.3 The Council's internal design champions will be responsible for large amounts of work on Leeds Station and ensure the Council plays a key role in the project. Whilst the Highways and Transport department has the skill set required for the work, it is felt that to allow the Council to provide the most robust feedback possible into this work, the team's input will need to be supplemented with sufficient expertise. It will be necessary for services to be available for call off for their perspective and to cover the amount of work that will be required.
- 3.1.4 Volterra provided substantial advice previously and are leading consultants on economic matters around large infrastructure investments.
- 3.1.5 The cap for the appointment will be £25,000. This waiver of CPRs to place a contract with Volterra is the strongest method of ensuring value for money will be achieved for the council and ensure continuity of service provision.

#### **3.2 Consequences of waiver not being approved**

- 3.2.1 In the case that the waiver of CPRs 8.1 and 8.2 is not approved, this will have an impact on the ability of the Council's Station Development Team to deliver work surrounding Leeds Station, due to the lack knowledge and skills around the Rail Industry.
- 3.2.2 To appoint a different consultants would be inefficient and more expensive as Volterra already provided the report in 2015 on the economic strategy for a HS2 station in Leeds and will therefore be able to most efficiently bring the report up to date.
- 3.2.3 The Best Council Plan outlines Leeds' desire to be a strong economy and a compassionate city. HS2, through our Leeds City Region HS2 Growth Strategy proposals, will provide 40,000 jobs directly and add £54bn to our city region's economy and contribute to achieving this desire. Work surrounding the arrival of HS2 is fast moving and quickly evolving and to ensure we maximise the benefits associated with it the council needs to make best use of all of its time. Authorising the appointment of an established economic consultant with reputable transport specialism and prior work in the city will enable the Council and wider LISM partnership to draw upon extensive knowledge and skills for the continued delivery of the Station Development.

## **4. Corporate considerations**

### **4.1 Consultation and engagement**

4.1.1 There has been engagement with The Head of Station Development, The Director of City Development, Head of Transportation and other senior officers of Leeds City Council around the importance of the role of a Rail Industry consultant in future work surrounding Leeds Station.

### **4.2 Equality and diversity / cohesion and integration**

4.2.1 There are no implications for diversity / cohesion and integration.

### **4.3 Council policies and best council plan**

4.3.1 The support and services provided by a Rail Industry consultant have already and will continue to contribute towards the following Best Council Plan 2015-20 priorities:

- Transport & Infrastructure – Connecting people and places
- Good Growth – Growing the economy, creating jobs, improving skills, promoting a vibrant city

4.3.2 The support and services will also contribute to the following breakthrough projects:

- More jobs, better jobs
- World class events and a vibrant city centre
- Housing growth and high standards in all sectors

### **4.4 Resources and value for money**

4.4.1 An Economic Consultant with Transport Specialism is being requested as there isn't the expertise within the Council to deliver the advice and work required on Leeds Station and HS2. Volterra has a wealth of experience and expertise in this field. Volterra has already provided advice and gained detailed understanding of the context and issues with the opportunity.

4.4.2 Authorising the appointment and of spend with a Volterra will enable the Council and wider LISM partnership to draw upon extensive knowledge and skills for the continued delivery of the Station Development and HS2.

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

4.5.1 None of the contents of this report are exempt or confidential under the access to information rules detailed in the constitution.

4.5.2 Authorising this appointment may leave the council open to a claim from providers who feel the contract should have been effectively advertised and that the council has not been wholly transparent.

4.5.3 It is up to the council however to decide what degree of advertising is appropriate and it is felt that no advertising is the most appropriate method for the council.

## **4.6 Risk management**

4.6.1 A number of factors have been considered when forwarding this request to waive CPRs including:

- The Council's internal Station Development and Transport Strategy teams need their skills to be supplemented by outside specialist support to ensure their feedback into the work is as robust as possible.
- Not approving the waiver of CPRs 8.1 and 8.2 will mean the Council and wider LISM partnership would not have access to essential external skills and knowledge.

## **5. Conclusions**

5.1 By waiving CPR 8.1 and 8.2, the appointment of an Economic Consultant with Transport Specialism will provide knowledge and to ensure that the LISM partnership receives the best quality support available regarding its proposals and projects associated with the transformation of Leeds Station. This will build on previous work provided successfully to the city.

5.2 The advice provided will support the delivery of Council priorities, offer the best value for money and ability to carry out the work that will be required for the foreseeable future, ensure that the strong working relationships which contribute to the continued success of work which the council carries out with its partner organisations will strengthen further, and provide the council with internationally renowned expertise to support it in achieving its aims for the station district.

## **6. Recommendations**

6.1 The Chief Officer Asset Management and Regeneration is recommended to:

- a) Waive Contract Procedure Rules number 8.1 and 8.2 – Intermediate Value Procurements, and appoint Volterra an Economic Consultant with Transport Specialism. The appointment of a Volterra will support the Station Development team as they will provide transport and economic advice on what detailed works are required for Leeds Station and HS2. Volterra will provide an up to date report on the economic strategy for a HS2 station in Leeds. This contract will have a cap of £25,000.

## **7. Background documents<sup>1</sup>**

- a) Volterra 2015 report on the economic strategy for a HS2 station in Leeds.

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<sup>1</sup> 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.