



**Report of: Director of City Development**

**Report to: Executive Board**

**Date: 18<sup>th</sup> November 2020**

**Subject: Connecting Leeds update and financial consolidation**

Are specific electoral wards affected? If yes, name(s) of ward(s): ALL	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Has consultation been carried out?	<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
Will the decision be open 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

### 1. Main progress

- The development of Leeds' transport infrastructure remains a major challenge if the city is to meet the ambitions set out in both the Inclusive Growth Strategy for 21<sup>st</sup> Century infrastructure and to be carbon neutral by 2030. Significant investment in the transport system is needed in the short, medium and longer term to support the ongoing growth of the city and to provide real choices for people around public transport.
- The "Connecting Leeds" brand was developed to explain and promote works and initiatives related to the Leeds Public Transport Investment Programme (LPTIP), comprising £173.5m of central government funding. Over time, it has been expanded and used to encompass the wide range of transport interventions that are now taking place and planned over the next few years from a number of different programmes of work. This report provides an update on the work related to LPTIP.
- The Connecting Leeds team, comprising of seven public and private sector organisations, is working collaboratively to deliver transformational change to the public transport system in Leeds as well as walking and cycling infrastructure. Operating under extremely demanding timescales, the team are on target to deliver over £183.5m (includes LCC and WYCA contributions) of improvements addressing air quality and climate emergency issues.
- Following the approval of the Strategic Outline Business Case (SOBC) in April 2017, the Department for Transport (DfT) outlined a funding deadline of March

2021, giving the team less than 4 years from initial concept stage to develop, design, construct a complex programme and fully expend £173.5m external grant.

- A comprehensive package of interventions has been taken forward and these include:
  - bus priority corridors along major routes into the city centre;
  - creation and improvement of City Centre 'Gateways' including Headrow, Infirmary Street and the Corn Exchange;
  - additional park and ride spaces through expansion of existing bus and rail park and ride sites, together with creation of a new site;
  - potential development of new rail stations for key development and economic hubs;
  - development work to provide improvements to rail stations accessibility;
  - 1,000 more bus stops with real time information;
  - improved facilities in district centres; and
  - complementary private sector investment in bus services and low emission vehicles.
- Accounting for stakeholder and buildability constraints, the team have so far had 35 business cases submitted as of 1 October and 7 schemes have now received FBC+ approval through the governance process. All remaining FBC+ approvals are expected to be complete by March 2021.
- Construction work started on the first scheme in April 2019 on the Elland Road park and ride second expansion with another six schemes following during 2019. All nine remaining schemes will have started construction by the end of 2020. Autumn/Winter 2020 will be the busiest period for construction activity across the package and in turn the highest period of spend.
- In the last three months the team have completed construction on five schemes including the reopening of Elland Road park and ride expansion which has had to adapt as a result of changes initiated by the Covid-19 crisis. The Temple Green park and ride site that was included in the original scope has also now been reworked into a testing site. This extension will now be delivered using funding made available by Government earlier this year for shovel ready projects. The remaining schemes are due to be completed between March 2021 and Spring 2022.
- Stourton park and ride is a great example of a project that has sought to build on the obvious benefits of mode switch and work towards net zero. This has mainly been through implementation of solar panels across the site (funded by European Regional funding), providing energy for the electric bus operation and terminal building. 5 electric vehicles from First Bus will also service the new park and ride. This is the first bus-based park and ride in the UK with solar power capable of topping up buses on-site. Total carbon reduction is approximately 50% from user benefits (modes switch), 30% from landscaping (8,000 trees) and 20% from solar power generation.
- With the Climate Emergency declaration the Connecting Leeds LPTIP team have been working with partners to quantify greenhouse gas changes. The predicted reduction in greenhouse gas emissions over 60 years as a result of modal-shift is - 15,947 tonnes of CO<sub>2</sub>e (from delivered schemes). This is equivalent to over £5 million of carbon savings and 13.4 million car trips. Approximately 47,000 trees

would need to be planted to achieve this same reduction over 60 years but transport investment will contribute more quickly.

- Throughout the Covid-19 pandemic the Connecting Leeds team have been very closely monitoring both the financial and programme impacts of the national and local lockdown restrictions. The delivery teams have been key in ensuring that impacts are kept to a minimum while still maintaining government safety guidelines and having the wellbeing of both staff and public as a priority. The current financial impact which is directly related to Covid-19 has been estimated at £2.0m for the programme.
- In June 2020 the Connecting Leeds team were highly commended for ‘team of the year’ award at the Chartered Institute of Highways and Transportation (CIHT) awards. All partners have managed very difficult and unprecedented situations and enabled impacts to be kept to a minimum and worked collaboratively to find solutions and this has been recognised nationally.
- To ensure full take up of the Government grant by the original stated deadline of March 2021, a large number of proposals were initiated at the outset. This approach has been very successful in ensuring funds will be spent up and has led to the development of a number of “shovel- ready” schemes that are ready for implementation as and when other funding opportunities arise.
- A recent affordability review looking at the global finance position of the programme was undertaken to RAG rate and prioritise schemes for final delivery. The over-programming and subsequent prioritisation process has enabled the budgets to be allocated to delivering schemes which will give the greatest outputs and which are deliverable within the tight timeframes of the funding window. A number of schemes that have been developed under the programme up to or beyond OBC but which have been agreed that should not progress to delivery are looking for alternative funding and delivery options.

## **2. Best Council Plan Implications**

- The proposals in this report support the priorities for Sustainable Infrastructure, Inclusive Growth and Health and Wellbeing by:
  - Improving the city’s transport and digital infrastructure and tackling climate change risks;
  - Improving transport connections, safety, reliability and affordability;
  - Improving air quality, reducing pollution and noise;
  - Improving the resilience of the city’s infrastructure and the natural environment from future climate change; and
  - reducing health inequalities.

## **3. Resource Implications**

- The current actual spend for the Connecting Leeds programme is £84.9m. The future forecast spend is £218.3m for the remainder of the programme as shown in the table set out at 4.4.2.
- The team has been successful in securing other funding as the programme of works have developed.

- Funding secured to date for the LCC element of delivery totals £180.3m, comprising contributions from the DfT £137.5m, LCC £10.2m, West Yorkshire + Transport Fund £18.4m, Getting Building Fund £7.4m, S106 Developer contributions £3.7m and European Grant funding £3.1m.

## **Recommendations**

- a) Executive Board is requested to note the continued progress and affordability of the Connecting Leeds programme (Bus Infrastructure, Rail and Bus Delivery) in order to ensure realisation of the outcomes set out in the strategic outline business case to DfT.
- b) Executive Board is requested to note and agree to the financial consolidation and restated programme as set out in section 4.4, including funding movements between packages taking account of all the additional external funding contributions secured since the last update report which now totals £33.82m.
- c) Executive Board is invited to note that the Chief Officer for Highways and Transportation is responsible for this matter and a further update will be provided in Spring 2021.

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

- 1.1 This report outlines the progress made on Connecting Leeds, LPTIP since it started in April 2017 and includes an update on the first 18 months of construction during 2019/20 and 2020/21. This report notes the financial consolidation and restated Connecting Leeds programme delivered by LCC on the work related to LPTIP.

## **2. Background information**

- 2.1 The Connecting Leeds schemes are an important part of moving the city towards a world-class connected city, that allows seamless end to end public transport journeys internationally, nationally, regionally and locally.
- 2.2 In December 2016, Executive Board agreed the submission of a SOBC for the Connecting Leeds programme to DfT for £183.5m. With anticipated local and private sector contributions, the total investment package is worth circa £270 million.
- 2.3 The aims and ambitions of this package of public transport improvements have been informed by the ongoing Transport Conversation and the schemes 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 High Speed Rail and Northern Powerhouse Rail;
  - Improve health outcomes especially air quality by reducing transport emissions and making a significant contribution towards compliance with Department for Environment Food and Rural Affairs legal requirement of the city;

- Complement the existing schemes being delivered through the West Yorkshire plus Transport Fund 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;
- To leverage match funding from the private sector, both public transport providers and developments / businesses who will benefit from the public investment; and
- Cognisance of and adaptability for the delivery of the longer term strategy.

2.4 At present the total public funding confirmed comprises the contributions from DfT (£173.5m), LCC (£8.9m) and the West Yorkshire Combined Authority (WYCA) (£0.97m) totalling £183.5m. A further £86.76m has been leveraged as match funding from bus operating companies' investment in fleet. The £183.5m of investment is being monitored through the Combined Authorities assurance process.

2.5 The programme aims to increase use of public transport in a manner which contributes to carbon reduction by encouraging modal shift away from the private car and supports inclusive growth by making it easier to access education, employment and public services. Also to create:

- A world-class connected city, that allows seamless end to end public transport journeys internationally, nationally, regionally and locally.
- An ambitious city, that attracts and plans for inclusive growth.
- A smart city that embraces innovative technology to efficiently use, manage and maintain the transport network.
- A people-focused city, with well-connected neighbourhoods and a city centre that's easily accessible for everyone.
- A healthy city, that allows more people to walk, cycle and be more active, with reduced traffic and emissions to create cleaner air.

These programme wide benefits are now being reviewed in light of the impact of Covid-19 on modal shift towards walking and cycling and the impact on the use of public transport as a result of Covid-19.

### **3. Main progress**

#### **3.1 Impact of Covid-19 pandemic**

3.1.1 Throughout the pandemic the Connecting Leeds team have been very closely monitoring both the financial and programme impacts of the local and national lockdown restrictions. The delivery teams have been key in ensuring that impacts are kept to a minimum while still maintaining government safety guidelines and having the wellbeing of both staff and public as a priority.

3.1.2 For the Bus Infrastructure package delivery there have been a considerable amount of controls implemented to ensure the health and wellbeing of staff, their families and the public during the Covid-19 pandemic. Contingency actions to mitigate from staff absences due to Covid 19 symptoms, quarantine or self-isolation included multi-skill training ensuring that more than one person has the skills and knowledge required to maintain critical functions; separation of core skills across multiple locations and by use of third parties/contractors to bolster teams. During this period

of disruption the senior management team met twice a week to review staff availability, prioritisation of workload and react to any issues that might arise. A Connecting Leeds Business Continuity Plan was also produced.

- 3.1.3 In light of the above a number of risk scenario planning meetings were held with the Delivery Partners to assess the impact of Covid-19 in terms of best case, worst case and likely case working out the likely preliminary costs and delays. The current financial impact which is directly related to Covid-19 has been estimated at £2.0m across the programme. Communication with the Department for Transport has regularly taken place during this period.

### **3.2 Global affordability review**

- 3.2.1 To ensure the programme is successfully delivered to the challenging timescales set out by DfT, it has been necessary to build in an element of over-programming together with adopting a prioritisation methodology. This approach would ensure that there was sufficient scope of works developed to ensure that the full funding would be spent within the time period set by the DfT. The methodology uses a RAG rating based on deliverability such as stakeholder support and timescales, scheme estimate and programme outputs to help prioritise. Therefore periodically a global affordability review has been undertaken, with the most recent review being carried out following the pandemic.

### **3.3 Bus Infrastructure package**

- 3.3.1 Table 1 below shows the scale of the package and the interventions that have been categorised through a prioritisation and affordability review process. This process was moderated by colleagues across the Council, WSP, Delivery Partners and endorsed by the Package Board.
- 3.3.2 Accounting for stakeholder and buildability constraints, the team have so far had all outline business cases submitted and 7 schemes have now received FBC+ approval through the governance process. All 4 remaining FBC+ approvals are expected to be complete by March 2021.
- 3.3.3 Construction work started on the first scheme in April 2019 on the Elland Road park and ride second expansion with another six schemes following during 2019. All nine remaining schemes will have started construction by the end of 2020. Autumn/Winter 2020 will be the busiest period for construction activity across the package and in turn the highest period of spend.
- 3.3.4 In the last three months the team have completed construction on five schemes including the reopening of Elland Road park and ride expansion which has had to adapt as a result of changes initiated by the Covid-19 crisis. The Temple Green park and ride site that was included in the original scope has also now been reworked into a testing site. This extension will now be delivered using funding made available by Government earlier this year for shovel ready projects. The remaining schemes are due to be completed between March 2021 and Spring 2022.

3.3.5 The new Stourton park and ride site is a great example of a project that has sought to build on the obvious benefits of mode switch and work towards net zero. This has mainly been through implementation of solar panels across the site (funded by European Regional Development funding), providing energy for the electric bus operation and terminal building. 5 electric vehicles from First Bus will also service the new park and ride. This is the first bus-based park and ride in the UK with solar power capable of topping up buses on-site. Total carbon reduction is approximately 50% from user benefits (modes switch), 30% from landscaping (8,000 trees) and 20% from solar power generation.

3.3.6 A number of schemes that have been developed under the programme up to or beyond OBC but which have been agreed that should not progress to delivery are looking for alternative funding and delivery options. Under normal circumstances these schemes would gain full approval at FBC+ and funding agreements drawn up, but without FBC+ these development costs have required an interim approval from WYCA which will be approved in November 2020.

<b>Table 1</b>	
Connecting Leeds LPTIP schemes currently completed	Early interventions: Holt Park, Gloucester Terrace, Moortown corner, A58 York Street Elland Road park and ride
Connecting Leeds LPTIP schemes currently on site or mobilisation imminent and prioritised for delivery	A61 South corridor A647 corridor A65 signals A660 signals A61 North (Harewood) A61 North (Wigton Lane, Potternewton Lane) Stourton park and ride Headrow Gateway Infirmary Street / Park Row Gateway Corn Exchange Gateway
Reserve schemes, potential alternative funding identified but not yet secured	Temple Green park and ride (Getting Building Funds) A58 Beckett Street A660 Lawnswood A660 Headingley Hill (CIP) A58 corridor (Roundhay Road) A61 North (Scott Hall Road) A61 South (Stourton to Wakefield)
Reserve schemes for which no alternative funding mechanisms have yet been identified	A61 North (Alwoodley / King Lane) A660 University section Woodhouse Lane Gateway Alwoodley park and ride

3.3.7 There have been some delays on the A647 corridor scheme particularly the finalisation of design, scope and TROs and completion of the consultation. The scheme is still on target to be in contract and committed prior to March 2021 but delivery will continue after March 2022. DfT have confirmed provided schemes are in contract by end March 2021, funding will be made available.

3.3.8 There was also a slight delay to the Corn Exchange enabling works as these were paused whilst the global affordability review was undertaken in June/July 2020. The enabling works commenced on 24<sup>th</sup> August 2020. A series of value

engineering workshops have subsequently been undertaken to try and reduce the overall FBC+ target cost to bring the programme to a balanced budget.

- 3.3.9 The Connecting Leeds programme has continued with site construction during the Covid-19 pandemic and all sites worked whilst maintaining safe working practices as outlined by the government. Specific briefings were held with respect to social distancing issues on site. John Sisk and Son were awarded the Considerate Constructors 'certificate of excellence' for their work on the city centre gateways during this period too. Delivery Partners both managed production despite difficulties experienced with some parts of the supply chain.
- 3.3.10 There were notable benefits to traffic management during the initial Covid-19 lockdown period which meant additional traffic management measures and some day time lane closures. In many instances the delivery partners have been able to take advantage of quieter streets in order to accelerate delivery. For example (and not exclusively), the Headrow Gateway scheme has progressed paving works outside closed shops in order to minimise impact of works when businesses re-open. The A61 South scheme has taken advantage of lower traffic volumes in order to progress works during peak periods. The park and rides remained mainly unaffected as there were no traffic management interfaces.
- 3.3.11 A Planning for Growth Programme Board and a Planning for Growth resilience group is reviewing the impact of the large number of schemes planned on the highway over the next few years in order to prevent severe disruption from occurring city-wide. Mitigation measures are being put in place where relationship dependencies have occurred, for example District Heating Phase 2 and Headrow Gateway. These schemes are being scheduled independently but have the potential to create a greater cumulative impact if they are not considered together. Any changes in construction time and construction approach may increase or decrease the interdependency. These inter-relationships will be managed as whole across all projects and mitigations will be considered in traffic management plans or specific actions.

### **3.4 Rail package**

- 3.4.1 A number of schemes within the Connecting Leeds programme were designed to be taken to OBC stage only as part of this funding and not through to full delivery, including most of the schemes in the Rail package. This element of the programme is led by the West Yorkshire Combined Authority (WYCA). The programme is completing development up to outline business case Governance for Railway Investment Projects (GRIP) stage 3, 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.
- 3.4.2 Furthermore it is proposed that the car park facilities at New Pudsey is expanded to increase its capacity within the Leeds Bradford corridor. In addition, the City Council, working in partnership with the WYCA are developing 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. In terms of the programme it has always been the Case that the DfT LPTIP funding only meets the development



costs. Work alongside this development is proceeding to assemble the final funding packages for the schemes in combination with WYCA and key partners.

3.4.3 The Rail package includes the following schemes in Table 2 and where progress has been made. White Rose, Thorpe Park and LBAP are all subject to final funding approval at Full Business Case stage and at FBC+ costs stage too.

<b>Table 2</b>				
<b>Scheme</b>	<b>Current Forecast Cost of scheme</b>	<b>Approvals to date</b>	<b>Planned start</b>	<b>Planned completion</b>
White Rose Station	£21.953m	OBC approval, FBC being developed	Enabling works package Q4 2020.	Estimated May 2022
Thorpe Park Station	TBC	EOI / Case Paper	TBC	TBC
Leeds Bradford Airport Parkway station	£41.981m	OBC approval, FBC being developed	Q4 2021/22 (subject to funding, approvals / consents, land assembly)	Q2 2024/25
New Pudsey station	TBC	EOI / Case Paper	TBC	TBC
Rail Accessibility at Cross Gates and Horsforth	£8.37m	EOI / Case Paper. OBC submission to PAT April 2020	Q2 2021	Feb 2023
Leeds Rail Station		Revised SOBC submitted to DfT in March 2020		

### **3.5 Bus Delivery package**

3.5.1 The following part of the programme is being led by the WYCA. Schemes are currently scoped to fulfil a set budget, however, if more funding were to become available they would be upwardly scalable and the scope could be expanded. This would result in better outputs and value for money:

- Real time bus information (additional screens and totems); and
- Leeds Bus Station (further enhancements and provision of sustainable infrastructure).

3.5.2 In terms of Leeds bus station the development and design partners were unable to gain access to the bus station safely and maintain social distancing in order to carry out vital survey work. Members of contractor survey teams were also furloughed and other contractors were unavailable. In addition there have been delays to the commencement of stakeholder negotiations as well as negotiations with tenants, operators and lease holders.

3.5.3 This has led to the elimination of all programme float and to at least eight weeks delay to the next design stages and delays to the progress of this scheme of at

least 16 weeks. These delays have also had an impact on costs due to programme elongation and the work that has been required to respond to a regularly changing situation. The costs impact is estimated as a minimum of £30,000.

3.5.4 The current position is that it is now scheduled to go into contract with the delivery partner in February / March 2021 with an end date for completion of March 2022, however this may extend beyond this due the now constrained programme. The programme team are resolved to ensure that this scheme is delivered as the bus station plays a pivotal role in the bus network for the city.

3.5.5 The Bus Delivery package includes the following schemes in Table 3:

<b>Table 3</b>				
<b>Scheme</b>	<b>Cost of scheme</b>	<b>Approvals to date</b>	<b>Planned start</b>	<b>Planned completion</b>
Transport Hubs and Public Transport Access Schemes - Phase 1	£4.266m	FBC+ approved	October 2020	March 2021
Transport Hubs and Public Transport Access Schemes - Phase 2	£4.622m	FBC+ approved	October 2020	March 2021
East Leeds Demand Responsive Transport	£0.763m	OBC approved, FBC+ in development	June 2020	Ongoing service for three years
Digital Hub	£1.227m	OBC approved, FBC+ in development	Trial ongoing, further roll out to start July 2020	Ongoing service
Network Navigation	£1.834m	FBC+ approved	October 2020	March 2021
Clean Bus Technology Fund	£0.82m	Complete	Complete	Complete
Real Time -Phase 1, LED screens	£1.640m	Complete	Complete	Complete
Real Time -Phase 2, battery powered screens	£5.1m	FBC+ approved	September 2020	June 2021
Stourton Park and Ride Buses	£0.871m	FBC+ approved	On opening of Stourton Park and Ride	February 2021
Leeds Bus Station	£4.9m	OBC approved, FBC+ in development	March 2021	March 2022

### **3.6 Remaining schemes**

3.6.1 As a result of the finite timescales placed on the delivery of Connecting Leeds, the programme team carried out a certain amount of over-programming to ensure that all of the DfT funds would be committed on appropriate schemes and within the funding window. This has resulted in a number of schemes being worked up to, or beyond OBC, which are now no longer proceeding to delivery. There are also a number of schemes which are priorities for Leeds City Council and the Combined Authority and which do not currently have confirmed funds available. These are 'shelf ready' schemes, should additional funds become available.

3.6.2 A level of 'abortive' expenditure was always anticipated as part of this programme and it is the intention that those schemes continue to be delivered by alternative

funding sources as “shovel ready” schemes. The costs are therefore to be considered as a pre-planned investment to aid early delivery of future programmes and will benefit both Leeds City Council and the Combined Authority as a result.

3.6.3 The table below gives an indication of the extent and scale of schemes which would benefit from additional funding. The corridor improvement programme (CIP) is part of the West Yorkshire + Transport Fund (WY+TF) and has been identified as a potential funding source for those schemes identified as such. This is still in the decision making process and funding for all the schemes is yet to be confirmed. There has also been some movement of schemes between Connecting Leeds and WY+TF and this is still being reconciled. This list is therefore still being worked on and is not definitive.

<b>Scheme</b>	<b>Estimated baseline cost</b>	<b>Potential funding source</b>	<b>Current stage</b>
Alwoodley park and ride	£14.026m	Potential funding sources being explored	Preliminary design and OBC
Temple Green park and ride extension	£7.386m	Getting building funding confirmed	FBC+ ready and detailed design
A58 Beckett Street	£13.956m	Potential funding sources being explored	Preliminary design and OBC
A660 Headingley Hill	£5.1m	CIP2	Feasibility design and OBC
A660 Lawnswood	£9.3m	Potential funding sources being explored	Feasibility design
A660 Hyde park & Woodhouse Moor	£8.7m	Potential funding sources being explored	Feasibility design
A660 City Gateway & University section	£23.0m	potential funding sources being explored	Concept only
A61(N) Scott Hall Road	£8.99m	LPPF and CIP2 reserve	OBC
A58 Roundhay Rd / Easterly Rd	£9.53m	CIP2	Feasibility design and OBC
A61(N) Stonegate Rd, King Lane bus link	£9.7m	Potential funding sources being explored	Feasibility design and OBC prepared
White Rose rail station	£22m	Part funded by WY+TF	Grip 3 FBC
Thorpe Park rail station	£27m (not including OB)	Potential funding sources being explored	Grip 3 / OBC due Autumn 2020
RAP Crossgates		Potential funding sources being explored	OBC
RAP Horsforth		Potential funding sources being explored	OBC
New Pudsey P&R	£12m	WY+TF	OBC
Realtime additional screens	£2m	Potential funding sources being explored	OBC/ FBC
White Rose bus station	£1.2m	Potential funding sources being explored	Feasibility
Leeds bus station further enhancements	£2m	Potential funding sources being explored	FBC (FBC+ due in November)
Otley bus links	tbc	Potential funding sources being explored	Pre-feasibility

## **4 Corporate considerations**

### **4.1 Consultation and engagement**

- 4.1.1 An ambitious programme of communications was initially aimed at securing support for investment and attracting interest in the consultation exercises, moving into delivery of a top class engagement process for those impacted by the construction.
- 4.1.2 Digital tools and social media have been used and the team have employed world class visualisations and animations which have been recognised by both Members and the Expert Panel as exemplary. As a result of Covid-19 and social distancing changes have had to be made to face-to-face planned consultations. The team have made the best use of online and social media presence and postal communications under the new guidelines.
- 4.1.3 The team have contributed to a very extensive programme of activity, maximising social value outcomes, providing local employment and training opportunities and supporting local charities. Over 50 school engagement activities have seen the team working with primary and secondary schools; supporting careers fairs, curriculum development activities, mentoring programme and internships.
- 4.1.4 Several other major infrastructure schemes are also programmed to coincide with Connecting Leeds schemes. Collaborative relationships with external teams has helped bring other programmes forward. Close liaison with other contractors has enabled significant savings to budget and programme, reducing the disruptive impact of construction to the city, economy and the public. This has also enabled us to limit the environmental impact of dust, pollution and noise.
- 4.1.5 In June 2020 the Connecting Leeds team were highly commended for 'team of the year' award at the Chartered Institute of Highways and Transportation (CIHT) awards. All partners have managed very difficult and unprecedented situations and enabled impacts to be kept to a minimum and worked collaboratively to find solutions and this has been recognised nationally.

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

- 4.2.1 The Connecting Leeds funded programmes were developed from the Leeds Transport Conversation and extensive engagement with a wide range of groups such as Voluntary Action Leeds, Child Friendly Leeds, Black and Minority Ethnic (BME) Hub, Disability Hub, Lesbian Gay Bisexual Transgender (LGBT) Hub, Leeds Society for the Deaf and Blind, Physical and Sensory Impairment (PSI) Network, Womens' Live Leeds, Elderly Action groups and various groups representing accessibility and usability.
- 4.2.2 Leeds Involving People (LIP) are a key partner in ensuring that seldom heard groups are involved in shaping a transport strategy for Leeds that is inclusive and meets the needs of individuals, communities and the city and have undertaken multiple Seldom Heard Group workshops as part of the overall Connecting Leeds proposals. Very positive feedback has been provided by colleagues from LIP on the Connecting Leeds LPTIP programme.

4.2.3 From previous engagement and consultation, it is evident that transport has the potential to have a differential impact on equality groups with particular regard to gender, disability, race, age, younger and older people. Equality screening for all schemes requiring key or operational decisions has taken place with key stakeholders, prior to any consultation and engagement, to ensure actions are taken to highlight the positive impacts and reduce the negative impacts. These have all previously been submitted to Executive Board as part of the individual scheme decision making.

### **4.3 Council Policies and the Best Council Plan**

4.3.1 The anticipated benefits of using the funding to create improvements to the Leeds transport network has the potential to contribute to the vision for Leeds to be the best city in the UK and the Best Council Plan 2020/21 priorities for inclusive growth, sustainable infrastructure and becoming a child-friendly city.

4.3.2 The Connecting Leeds funded projects will also contribute to the objectives of the Our Spaces Strategy, HS2 Growth, West Yorkshire Transport Strategy, Leeds Integrated Station Masterplan, City Region Connectivity and Leeds Living.

#### Climate Emergency

4.3.3 With the Climate Emergency declaration the Connecting Leeds team have been working with partners to quantify greenhouse gas changes. The predicted reduction in greenhouse gas emissions over 60 years as a result of modal-shift is - 15,947 tonnes of CO<sub>2</sub>e (from delivered schemes). This is equivalent to over £5 million of carbon savings and 13.4 million car trips. Approximately 47,000 trees would need to be planted to achieve this same reduction over 60 years but transport investment will contribute more quickly.

4.3.4 The team are also capturing other carbon savings across the programme including low carbon or electric fleet for construction staff, re-use of surplus materials from site to site, additional landscaping at park and ride sites, use of eco cabins on construction sites. Several members of the team have also been on carbon literacy and climate emergency training and are feeding back learnings to the wider team. wAs part of LPTIP, First Bus also committed to a ground breaking vehicle

4.3.5 As part of LPTIP, First Bus also committed to a ground breaking vehicle investment programme for Leeds delivering low and zero emission buses (minimum Euro VI CAZ compliant) with high specification features for customers including audio visual next-stop announcements and USB charge points. In 2018, 47 vehicles were delivered including conversion of services on the A660 Headingley corridor, both Park and Ride sites and the new Thorpe Park service. Working with the University of Leeds there has been a significant reduction in NO<sub>2</sub> emissions on the A660 Headingley corridor and were able to achieve a turnaround in passenger volumes from decline to growth.

4.3.6 This has been followed by the introduction of 133 new low-emission buses over the last two years on a cross section of north-south and east-west corridors. More recently, 9 electric vehicles have been introduced this month on the Leeds CityBus / Halton Moor service. 5 new electric vehicles are also now on order for the new Stourton Park & Ride site in 2021. The total delivery of 180 low and ultra-low emission buses together with the 9 electric vehicles represents a total investment of over £47m. This has been undertaken in parallel with significant engine upgrades

across operators' fleets in West Yorkshire, in partnership with the West Yorkshire Combined Authority, to achieve increased Euro VI compliance and support cleaner air objectives.

- 4.3.7 The wider transformation of public transport provision provided by Connecting Leeds such as walking and cycling infrastructure, new city centre public realm and pedestrianisation, improved waiting environments and reliable and faster journey times will also add to the delivery of clean growth in Leeds.

#### 4.4 Resources, procurement and value for money

- 4.4.1 One of the conditions in the letter from DfT is that investment decisions on individual components of the various packages will be made locally in accordance with the WYCA Assurance framework previously agreed with government. The funding injections and authority to spend already gained from this board are allocated from the Connecting Leeds Bus Infrastructure package fully delivered by LCC, the Bus and Rail delivery package part delivered by LCC and the programme management package part delivered by LCC. Funding secured to date for the LCC element of delivery totals £180.3m, comprising contributions from the DfT £137.5m, LCC £10.2m, West Yorkshire + Transport Fund £18.4m, Getting Building Fund £7.4m, S106 Developer contributions £3.7m and European Grant funding £3.1m.

- 4.4.2 Collective finance reporting continually monitors the status of the scheme budgets, tracking against funding and desired spend profile. Development of consistent reporting methods and tools across all partners brings efficiencies and avoids duplication of effort. During detailed design and construction the team are looking to pro-actively value engineer schemes in order to reduce costs back to available funding resources. As part of an independent cost assurance exercise and global affordability review accurate spend to date figures and forecasts for the remainder of the programme have now been captured.

- 4.4.3 The Connecting Leeds total funding is made up of the following packages:

Package	Original DfT allocation and Local Contributions	Revised allocation at October 2020	Additional funding secured	Actual spend to date (Oct 2020)	Forecast spend	Over Programming
Bus Infrastructure	£118.62m	£132.1m	£33.82m	£73.2m	£168.4m	£2.48m
Bus Delivery	£25.95m	£26.2m	£0m	£5.4m	£26.2m	£0.0m
Rail	£34.5m	£21.2m	£0m	£4.0m	£19.7m	(£1.48m)
Programme Management	£4.43m	£4.0m	£0m	£2.3m	£4.0m	£0.0m
<b>Totals</b>	<b>£183.5m</b>	<b>£183.5m</b>	<b>£33.82m</b>	<b>£84.9m</b>	<b>£218.3m</b>	<b>£1.0m</b>

- 4.4.4 Further funding allocations are also being sought from the Corridor Improvement Programme, Pinch Point Fund, Transforming Cities Fund and if these transpire the Bus Infrastructure programme is geared up to spend these funds together with all other additional external resources that become available.

- 4.4.5 Schemes to be delivered from the Connecting Leeds funding are required to be in contract (FBC+ approval) or substantially completed by the end of March 2021.

There are a number of schemes which will be in contract before the end of the programme but still on site for delivery. The team are working hard to ensure that this is kept to a minimum. The current financial profiles indicate that c. £65.1m of funds will be required in 2021/22, which will consist of £28m of DfT contribution, £9.7m of Council and Combined Authority match funding together with external contributions of £27.4m.

#### 4.4.6 Capital Funding & cashflow (Restated Connecting Leeds programme)

##### Connecting Leeds LCC packages cashflow as at October 2020

Restated Injections into LPTIP programme currently with approvals	TOTAL £000's	TO MARCH 2020 £000's	FORECAST		
			2020/21 £000's	2021/22 £000's	2022 & On £000's
BUS INFRASTRUCTURE LCC	168,395.8	47,845.6	65,211.8	55,338.4	
BUS DELIVERY (LCC Delivered)	10,208.9	650.0	8,614.8	944.1	
RAIL DELIVERY (LCC Delivered)	4,598.6	1,086.7	3,031.9	480.0	
PROGRAMME MGT LCC	1,961.7	717.7	1,194.0	50.0	
<b>TOTALS</b>	<b>185,165.0</b>	<b>50,300.0</b>	<b>78,052.5</b>	<b>56,812.5</b>	<b>0.0</b>
Restated Authority to Spend currently with approvals	TOTAL £000's	TO MARCH 2020 £000's	FORECAST		
			2020/21 £000's	2021/22 £000's	2022 & On £000's
Restated ATS position Bus Infrastructure LCC	166,017.3	47,845.6	66,415.0	51,756.7	
Restated ATS position Bus Delivery (LCC)	10,208.9	650.0	8,614.8	944.1	
Restated ATS position Rail Delivery (LCC)	4,589.4	1,086.7	3,022.7	480.0	
Restated ATS position Prog Mgt (LCC)	1,961.7	717.7	1,194.0	50.0	
<b>TOTALS</b>	<b>182,777.3</b>	<b>50,300.0</b>	<b>79,246.5</b>	<b>53,230.8</b>	<b>0.0</b>
Total overall Funding LCC Capital Programme October 2020	TOTAL £000's	TO MARCH 2020 £000's	FORECAST		
			2020/21 £000's	2021/22 £000's	2022 & On £000's
LCC Supported Borrowing	8,932.2	189.6		8,742.6	
LCC Supported Borrowing Other	1,221.0			1,221.0	
Section 106/278	3,652.0	0.0	0.0	3,652.0	
Government Grant DFT	137,544.1	50,110.4	71,808.5	15,625.2	
Government Grant other	7,400.0		0.0	7,400.0	
WY+TF	18,401.0		7,438.0	10,963.0	
European Grant ERDF	3,147.0		0.0	3,147.0	
<b>Total Confirmed Funding</b>	<b>180297.3</b>	<b>50300.0</b>	<b>79246.5</b>	<b>50750.8</b>	<b>0.0</b>
<b>Net funding shortfall before Target Savings</b>	<b>2,480.0</b>	<b>0</b>	<b>0.0</b>	<b>2,480.0</b>	<b>0.0</b>
Potential transfers from other packages	1,480			1,480	
Target Savings/Value engineering 0.5%	1,000			1,000	
<b>Total Funding Balance</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>

4.4.7 As at October 2020 the programme is currently showing a funding shortfall of £2.48m which will be dealt with through movements in package savings, together with pro-actively value engineer the projects to reduce the costs and come back to within available secured resources. This process will be overseen by the Chief Officer for Highways and Transportation in ongoing dialogue with the Executive Member as appropriate.

- 4.4.8 Further funding which could potentially be at risk of being paid back to the DfT from within the overall programme may become available in future. If this transpires the Bus Infrastructure programme is geared up to spend these funds together with all other additional external resources that become available.
- 4.4.9 All ongoing revenue lifecycle maintenance costs arising from this programme will be quantified as the scheme designs develop, with the enhanced road network assets resulting from the significant investment requiring minimal maintenance in the short term. The assets when complete will be managed as part of the existing highways revenue budgets.

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

- 4.5.1 There are no specific legal implications arising from this report for Executive Board to consider.

#### **4.6 Risk management**

- 4.6.1 All schemes are subject to regular risk reduction meetings. Over the last 18 months risks have materialised such as delays and additional costs for statutory undertakers, contaminated material over and above that identified through Ground Investigation surveys and adverse weather conditions.
- 4.6.2 Given the timescales and delays as a result of Covid-19 there will need to be some flexibility to adjust the programme to meet cost and deliverability changes. The risk that the LPTIP programme will fail to draw down the full funds from DfT by the deadline date has been discussed and it has been agreed that all business case approvals need to be secured, so WYCA Investment Committee funding approval by March 2021 which DfT will take as being 'in contract'. The team are on course to secure all remaining business case approvals.
- 4.6.3 A number of risk review workshops and scenario planning meetings have been held with the Delivery Partners to assess the impact of Covid-19 in terms of best case, worst case and likely case working out the likely preliminary costs and delays.
- 4.6.4 There is also a risk on the council's corporate risk register about 'Keeping the city moving' and Connecting Leeds LPTIP is a key way of mitigating and treating this risk. Connecting Leeds also contributes to the delivery of the long term transport vision and strategy to facilitate the city's future aspirations as set out in the Transport Vision for Leeds as a 21<sup>st</sup> Century city.

### **5 Conclusion**

- 5.1 A great deal has been achieved since formal approval by DfT in April 2017. The move from a city wide consultation to implementation of a number of major schemes on the ground in such a short space of time has required new ways of working by a large number of people from a range of disciplines, teams and organisations. Initial emerging outcomes are encouraging even before much of the work has been completed. The Connecting Leeds LPTIP delivery continues to be successful and will help transform the city of Leeds.



- 5.2 The development of Leeds' transport infrastructure remains a major challenge if the city is to meet the ambitions set out in both the Inclusive Growth Strategy for 21<sup>st</sup> Century infrastructure and to be carbon neutral by 2030. Connecting Leeds LPTIP is predicting a reduction in greenhouse gas emissions over 60 years as a result of modal-shift of -15,947 tonnes of CO<sub>2</sub>e (from delivered schemes). Approximately 47,000 trees would need to be planted to achieve this same reduction over 60 years but significant transport investment will contribute more quickly.
- 5.3 There have been some inevitable impacts to the programme as a result of the Covid-19 pandemic and subsequent lockdowns therefore delivery of schemes have been dynamically adjusted to suit. As previously mentioned, those schemes which are already on site for delivery have seen programme impacts in the early days of lockdown but have largely managed to claw this back and take advantage of quieter streets. All partners have managed this very difficult and unprecedented situation and enabled impacts to be kept to a minimum throughout the majority of 2020.

## **6 Recommendations**

- a) Executive Board is requested to note the continued progress and affordability of the Connecting Leeds programme (Bus Infrastructure, Rail and Bus Delivery) in order to ensure realisation of the outcomes set out in the strategic outline business case to DfT.
- b) Executive Board is requested to note and agree to the financial consolidation and restated programme as set out in section 4.4, including funding movements between packages taking account of all the additional external funding contributions secured since the last update report which now totals £33.82m.
- c) Executive Board is invited to note that the Chief Officer for Highways and Transportation is responsible for this matter and a further update will be provided in Spring 2021.

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

- 7.1 None.

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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.