

Report of Head of Station Development

Report to Chief Officer of Asset Management and Regeneration

Date: 17th February 2021

Subject: Request for the waiver of Contract Procedure Rules 8.1 and 8.2 to appoint Steer Davies and Gleave Ltd to produce an Economic Case for the Leeds Station Transforming Cities Fund project.

Are specific electoral wards affected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, name(s) of ward(s): Hunslet and Riverside	
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, access to information procedure rule number:	
Appendix number:	

Summary

1. Main issues

- 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; one with a compassionate and strong economy. The creation of new rail stations and 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.
- Leeds City Council, in partnership with West Yorkshire Combined Authority, Network Rail, Transport for the North, HS2 Ltd, London & Continental Railways, MHCLG, DfT, West Yorkshire Chamber of Commerce and Leeds BID have developed a Masterplan for Leeds Railway Station, LISM (Leeds Integrated Station Masterplan). The Masterplan sets a compelling vision for the major transformation of Leeds City Station, the busiest transport hub in the North of England over the last decade, and will guide

the future design and development of Leeds Station ensuring a joined up approach with HS2 Ltd and Northern Powerhouse Rail (NPR).

- To deliver the Leeds Integrated Station Masterplan Leeds City Council worked with the stakeholders to establish a Senior Steering Group, Programme Board and a number of Joint Working Groups. LISM has now successfully progressed to delivery due to a shared drive to deliver benefits and exemplary collaboration. We are continuing with this partnership approach to enable the successful delivery of Leeds Integrated Station Portfolio (LISP).
- The Leeds Station Sustainable Travel Gateway project is one of the discreet programmes of works being progressed under the Leeds Integrated Station Portfolio (LISP). Its focus is on redevelopment of the station entrance and the surrounding area, creating a multi modal interchange to address known and predicted capacity issues as well as improve the passenger experience.
- In March 2020 Steer Davies and Gleave Ltd were commissioned as a direct appointment to produce the Economic Case for the OBC which was submitted in June 2020 at a cost of £43,660. A direct appointment was approved as Leeds City Council Highways were already in contract with Steer Davies and Gleave Ltd, following a procurement exercise, to undertake business case development for the other Leeds TCF schemes and to carry out preliminary survey work and analysis to support the Leeds Station TCF. Highways entered into contract following a procurement exercise in September 2019 until November 2021 for the value of £94,696.
- Following on from the 2020 Economic Case we require an up to date Economic Case for the FBC which will be developed over the next few months and submitted in October 2021. For consistency from the OBC to the FBC we are seeking to direct appoint Steer Davies and Gleave Ltd.
- This waiver is seeking authority to waive Contract Procedure Rules number 8.1 and 8.2 – Intermediate Value Procurements and do a direct appointment from the Crown Commercial Framework, RM3745 Management Consultancy Framework, to appoint Steer Davies and Gleave Ltd, to produce the Economic Case for the FBC.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

The appointment of specialist consultants will contribute to the Leeds Station Programme and the delivery of the Best Council Plan's following priorities:

- Health & wellbeing - the creation of the largest station cycle hub in the north which helps meet forecasted growth in cycle usage and supports and promotes healthy and physically active lifestyles.
- Sustainable infrastructure – installation of segregated cycle lanes on Bishopgate, Neville Street and Dark Neville Street as well as in the wider city will help support the shift towards sustainable forms of transport, resulting in improved air quality facilitated by the reduction in harmful nitrogen dioxide (NO₂) levels. An air quality survey conducted in 2019 by Friends of the Earth found Neville Street to be the most polluted street outside of London.
- Inclusive growth – the proposed works for a multi-modal transport hub will facilitate modal shift, circulation and capacity. Failure to address these constraints will be a barrier to growth. Cycleways will be created to link the city centre into the wider cycle network serving communities across Leeds.

3. Resource Implications

- Staff time – the Station Development Team will continue to work with colleagues from the station partnership in Network Rail (NR), West Yorkshire Combined Authority (WYCA).
- Overheads – Overheads will be reviewed as the schemes progress.

Recommendations

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

- a) Waive Contract Procedure Rules number 8.1 and 8.2 – Intermediate Value Procurements and do a direct This waiver is seeking authority to waive Contract Procedure Rules number 8.1 and 8.2 – Intermediate Value Procurements and do a direct appointment from the Crown Commercial Framework, RM3745 Management Consultancy Framework, to appoint Steer Davies and Gleave Ltd, to produce the Economical Case for the FBC. Leeds City Council does not have this expertise in-house. This contract will have a cap of £40,000 and will commence on 31st March 2021 and end on 31st March 2022.

1. Purpose of this report

- 1.1 The purpose of this report is to request approval to enter into a contract with Steer Davies and Gleave Ltd to produce an Economic Case for the FBC.

2. Background information

- 2.1 Leeds Station has been the busiest transport hub in the North of England over the last decade and one of the most important pieces of infrastructure in the UK, with annual passenger numbers of 34 million. Passenger demand is forecast to more than double, with growth of 67% by 2027 and by 81% by 2043.
- 2.2 In order to accommodate this passenger growth and future growth including that enabled by Northern Powerhouse Rail and HS2, the station requires significant investment in its redevelopment and transformation.
- 2.3 The 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.
- 2.2 The Leeds Station Sustainable Travel Gateway project secured funding through the Transforming Cities Fund in March 2020. This is the first phase of delivery of LISM.

3 Main issues

- 3.1 As part of LISM, the Leeds Station Sustainable Travel Gateway project will create a world-class gateway which meets the future needs of passengers and welcomes the arrival of both HS2 and Northern Powerhouse Rail into the city
- 3.2 The Leeds Station Sustainable Travel Gateway project is key to ensuring this growth through,

- The pedestrianisation of New Station Street.
- Major improvements to outside the main entrance to enhance the image of the station and create a gateway into the city.
- Complete re-design and re-building of the station entrance connecting Bishopgate and key pedestrian access routes to the east and south of the city centre.
- Installation of new pedestrian lifts connecting Bishopgate and the station entrance.
- Enhanced pedestrian and cycle friendly routes through Neville Street, Dark Neville Street and Victoria Road to actively promote sustainable forms of transport.
- Improving connectivity across the city centre by installing high quality cycle lanes on key strategic gaps in the city centre.
- Installation of the 700 storage cycle hub will help transform Leeds station into a major transport hub.
- Infrastructure improvements will help support the Climate Emergency agenda through the encouragement of sustainable forms of transport.

3.2 Following the submission of the OBC in June 2020 the FBC is due to be submitted in October 2021 and this decision report is seeking authority for the Leeds Station Sustainable Travel Gateway project to spend up to £40,000 to directly appoint Steer Davies and Gleave Ltd to produce an Economic Case for the FBC. Steer Davies and Gleave Ltd produced the Economic Case for the OBC so appointment to produce the FBC Economic Case will guarantee consistency.

3.3 Leeds City Council Highways are already in contract with Steer Davies and Gleave Ltd, following a procurement exercise in 2019, to undertake business case development for the other Leeds TCF schemes as part of this preliminary survey work and analysis is being undertaken to support the Leeds Station TCF project.

3.4 **Consequences of waiver not being approved**

3.4.1 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 the FBC, due to the lack of knowledge and skills related to producing the Economic Case in line with the revised Green Book and WebTAG.

3.4.2 To appoint a different consultant would be inefficient and more expensive as Steer Davies and Gleave Ltd already have the expertise, experience and background to support the scheme having developed the Economic Case for the OBC.

4 **Corporate considerations**

4.1 **Consultation and engagement**

4.1.1 To date consultation has taken place with the following key project stakeholders: Member of Parliament for Leeds City Centre; Leader of Leeds City Council; Executive Board Member for Climate Change; Transport and Sustainable Development; Ward Members for Beeston and Holbeck; Ward Members for Hunslet and Riverside; Access and Use-Ability Group; Bus Operators, Cycle Forum Sub Group; Train Operator Companies; and Network Rail.

4.1.3 Consultation will be ongoing with key stakeholders throughout the detailed design and construction of the project.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 In respect of the project as a whole wide ranging consultation has been undertaken with Access and Inclusion groups.
- 4.2.2 There are no equality, diversity, cohesion and integration implications for the proposed procurement of the development of an Economic Case.

4.3 Council policies and best council plan

- 4.3.1 The Leeds Sustainable Travel Gateway project will contribute towards the following Best Council Plan 2015-20 priorities; Transport & Infrastructure and Good Growth.
- 4.3.2 The project also contributes towards the Inclusive Growth Strategy 21st Century Infrastructure priority supporting requirement for additional capacity to meet the projected passenger growth at Leeds station from 34 million in 2019 to 70 million in 2043.

Climate Emergency

- 4.3.3 Infrastructure improvements in the city centre will help support the Climate Emergency agenda through the encouragement of sustainable forms of transport. The infrastructure offers alternative and affordable choice for the residents of Leeds and will help drive the shift away from private vehicles. The increased usage of sustainable forms of transport will make a significant contribution to the reduction of carbon emissions in an already busy and congested area. The delivery of LISM along with several key Highways schemes (Armley Gyratory and City Square) will dramatically reduce the flow of traffic on Bishopgate and Wellington Street and prioritise safe and accessible pedestrian and cycle routes as the main method of transport.

4.4 Resources, procurement and value for money

- 4.4.1 The Station Development Team will continue to work with colleagues from the station partnership in Network Rail (NR), West Yorkshire Combined Authority (WYCA).
- 4.4.2 The Leeds Station Sustainable Travel Gateway project will be delivered by a Principal Contractor (Balfour Beatty) procured via the Scape Group, a nationally recognised public sector partnership, using the Scape Civils Framework. The framework utilised for this project was set up following a competitive, open market and OJEU compliant tender process. LCC have signed an 'Access Agreement' to the framework, enabling access to all Building and Engineering Services covered by the framework.
- 4.4.3 In the absence of sufficient internal resources to deliver the Economic Case required for the FBC a consultant is being requested. Steer Davies and Gleave have a wealth of experience and expertise in this field.
- 4.4.4 Authorising the appointment of a specialist consultant will enable the Council 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 because of the benefit gained through consistency.

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 team and Highways and Transportation Service will need their skills to be supplemented by outside support to ensure the Economic Case 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 mean not having access to essential external skills and knowledge.

5 Conclusions

- 5.1 Waiving CPR 8.1 and 8.2 will allow the direct appointment of Steer Davies and Gleave Ltd, a specialist consultant that can provide knowledge and ensure that the LISM partnership receives the best quality support available regarding its proposals and projects associated with the transformation of Leeds Station and the arrival of HS2.
- 5.2 Undertaking the Economic Case for the FBC provides consistency of the commission in respect of this work.
- 5.3 The advice provided will support the delivery of Council priorities, offer the best value for money and facilitate the work that will be required for the foreseeable future. Furthermore, appointing Steer Davies and Gleave Ltd will strengthen the working relationships which contributes to the continued success of work carried out by the council and its partner organisations, providing the council with nationally renowned expertise to support it in achieving its aims for the station area.

6 Recommendations

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 do a direct This waiver is seeking authority to waive Contract Procedure Rules number 8.1 and 8.2 – Intermediate Value Procurements and do a direct appointment from the Crown Commercial Framework, RM3745 Management Consultancy Framework, to appoint Steer Davies and Gleave Ltd, to produce the Economical Case for the FBC. Leeds City Council does not have this expertise in-house. This contract will have a cap of £40,000 and will commence on 31st March 2021 and end on 31st March 2022.

7 Background documents¹

7.1 None.

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.