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**Report to:** Transport Committee

**Date:** 7 July 2017

**Subject:** Capital Spending and Project Approvals

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## **1 Purpose**

- 1.1 To seek approvals for the progression of, and capital expenditure on projects to be delivered as part of the Local Transport Plan Implementation Plan 3 and National Productivity Investment Fund 2017/18 programmes.

## **2 Information**

- 2.1 The West Yorkshire Combined Authority at its meeting of 6 April 2017 approved the indicative West Yorkshire Local Transport Plan (LTP) Implementation Plan (IP3) programme for the 5 Year period (2017-22). The Transport Committee meeting of 24 February had endorsed this programme.
- 2.2 The approved 5 Year LTP IP3 programme has two distinct elements:
- Integrated Transport (IT) - funding from LTP IT block funding and an element of the National Productivity Investment Fund (NPIF) 2017/18 allocation; and
  - Highways Maintenance (HM) - funding from Highways Maintenance (HM) Needs Based, HM Incentive Fund, and Pot Hole Action Fund.
- 2.3 It was reported to the Transport Committee meeting of 24 February 2017 that the WYCA assurance process for larger Local Growth Fund projects progressed through Investment Committee, would begin to be applied in a proportionate manner to the typically smaller scale, lower cost projects included in the LTP Integrated Transport programme progressed through Transport Committee, commencing with WYCA-led or WYCA-funded schemes but with West Yorkshire District led schemes following once a proportionate process has been tested and established. **Appendix 1** explains the WYCA assurance process.
- 2.4 This report identifies seven projects or programmes contained in the LTP Integrated Transport programme for approval to progress to the delivery stage of the WYCA assurance process. Projects/Programme depending on their cost, scale or complexity can have different pathways to delivery e.g. Larger, more costly, more complex projects will progress through all decision points including decision Point 5 following development and agreement of a Full Business Case (FBC) with finalised costs. A proportionate, streamlined approach is applied to smaller, simpler projects or pieces of policy/strategy development, which may progress from Decision Point 2 to

Decision Point 6. At the delivery stage, funding can be drawn down subject to the appropriate capital approvals being in place.

- 2.5 The seven projects or programmes are identified in Table 1 below. Two of these projects/programmes represent key decisions due to the scale of costs involved.

**Table 1**

Project/Programme for Approval	Cost £	Key decision required	Assurance process decision required	Detail
Bus Station CCTV Digital upgrade	1.095m	Yes	Progress through Decision point 5 (Full Business Case with finalised Costs) to Activity 6 Delivery	Appendix 2
Bus Hotspots	1.037m	Yes	Progress through Decision point 5 (Full Business Case with finalised Costs) to Activity 6 Delivery	Appendix 3
Rail Policy & Programme Development	300k	No	Progress through Decision point 2 to Activity 6 Delivery	Appendix 4
LTP Monitoring, Evaluation and Bid Development	150k	No	Progress through Decision point 2 to Activity 6 Delivery	Appendix 5
Morley Transport Hub	150k	No	Progress through Decision point 5 (Full Business Case with finalised Costs) to Activity 6 Delivery	Appendix 6
Bradford Interchange Access Arrangements /Passenger Transport Totem Installation	120k	No	Progress through Decision point 5 (Full Business Case with finalised Costs) to Activity 6 Delivery	Appendix 7
Cycle Network Development	100k	No	Progress through Decision point 2 to Activity 6 Delivery	Appendix 8

- 2.6 A summary of each project/programme and the approvals requested relating to them are identified below. Fuller details are provided in an appendix for each.
- 2.7 Details of Highways Maintenance funding allocations were included in a report to the Combined Authority on the 29<sup>th</sup> June.

**Bus Station CCTV Digital upgrade**

Is this a key decision?	<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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12a, Local Government Act 1972, Part 1	

- 2.8 Transport Committee in July 2016 approved expenditure of £550k from the LTP IP2 programme on a project to convert the existing analogue CCTV system to a digital one across all WYCA Bus Stations and estate. Development work has now been completed enabling the preparation of a Business Case for submission into the WYCA assurance process. The project defined in the Business Case seeks to make WYCA’s CCTV system fit for the future. As well as delivering improvements and resilience to operations, this is an invest to save proposition. Project details are provided in **Appendix 2**.
- 2.9 The total project cost is £1.095m comprising £50k spent in 2016/17 (development work), £1.035m to be spent in 2017/18, £10k to be spent in 2018/19. These costs are to be funded from LPT IP2 (£50k development costs); LTP IP3 (£500k) and NPIF (£545k).
- 2.10 Total project capital costs have increased by £545k over the £550k approved in 2016. The costs reported in July 2016 were based on an outline design and initial market testing, with the capital expenditure of £550k calculated to result in a reduction in annual revenue costs of around £180k. Final costs are now available following detailed design and a tender exercise. The total project capital costs have increased to £1,095m, however the reduction in annual revenue costs has also increased to £246k. The pay-back period for this capital investment has been calculated at 4.4 years, as a result of the revenue saving.
- 2.11 The recommendations are:
  - That Transport Committee approve the progression of the Bus Station CCTV Digital Upgrade project from Decision Point 5 (FBC with Finalised Costs) and work commences on Activity 6, Delivery;
  - That Transport Committee approve the increase in total project capital costs from £550k and approves capital expenditure of £1.095m to deliver the Bus Station CCTV Digital Upgrade project, funded from the LTP IP3 and NPIF programmes.
  - That Transport Committee approve the Assurance Pathway and Tolerances as recommended by the PAT. This approval route will be subject to the schemes remaining within the tolerances outlined.

**Bus Hotspots**

Is this a key decision?	<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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12a, Local Government Act 1972, Part 1	

- 2.12 WYCA is working with bus companies, Arriva, First and Transdev, the Association of Bus Operators and District Councils in West Yorkshire on an ambitious partnership

programme: Bus 18. The Bus 18 programme has a number of workstreams, all with the objective of making bus travel better and encouraging more people to use the bus, aiming to deliver measurable benefits to customers in a short timeframe i.e. by 2018. A key element of Bus 18 is a package of schemes to improve bus punctuality and reliability at key hot spots on the network. A total of 28 hot-spot schemes were identified through workshops involving all partners and confirmed as being deliverable in the timescale. Delivery will take place in 2017/18 and 2018/19. Programme details are provided in **Appendix 3**.

2.13 The programme is proposed to be funded using £600k from the WYCA-led NPIF 2017/18 allocation, with an additional £437k from the LTP3 IP3 programme (from the Bus Strategy Delivery Programme allocation).

2.14 The recommendations are:

- That Transport Committee approve the progression of the Bus Hotspots programme from Decision Point 5 (FBC with Finalised Costs) and work commences on Activity 6, Delivery;
- That Transport Committee approve capital expenditure of £1.037m to deliver the Bus Hotspots programme, funded from the LTP IP3 and NPIF programmes.
- That Transport Committee approves the entering into a Funding Agreement with Bradford Council for expenditure of up to £674,400, with Calderdale Council for expenditure of up to £20,000, Kirklees Council for expenditure of up to £168,700, and Wakefield Council for expenditure of up to £173,500.
- That Transport Committee approve the Assurance Pathway and Tolerances as recommended by the PAT. This approval route will be subject to the schemes remaining within the tolerances outlined.

### **Rail Policy & Programme Development**

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12a, Local Government Act 1972, Part 1	

2.15 The purpose is to develop a new rail policy and strategy for the Leeds City Region, and following on from that, determine the future programme of rail schemes to feed into WYCA's and other regional, sub-regional and national delivery partners' scheme pipelines. This expenditure will be used to help ensure that WYCA has a robust evidence base for its objectives and outputs, based on robust gap analysis, optioneering and selection. This will require specialist rail industry approved tools and modelling techniques to ensure that the programme identified in the eventual plan is the right one to deliver the outcomes as set out in the SEP, is deliverable and

acceptable to the rail industry and is affordable and value for money. Programme details are provided in **Appendix 4**.

2.16 The total cost of these activities is £300k (with £150k in 2017/18 and £150k in 2018/19)

2.17 The recommendations are:

- That the Transport Committee approves the progression of the Rail Policy and Programme Development programme through Decision Point 2 and work commences on Activity 6 Delivery;
- That Transport Committee approves the capital expenditure of £300k to deliver the Rail Policy and Programme Development programme, funded from the LTP IP3 programme.
- That Transport Committee approve the Assurance Pathway and Tolerances as recommended by the PAT. This approval route will be subject to the schemes remaining within the tolerances outlined.

**LTP IP3 Monitoring, Evaluation and Bid Development**

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12a, Local Government Act 1972, Part 1	

2.18 Monitoring, Evaluation and Bid Development is included in the approved LTP IP3 programme. This is to provide a budget for a range of LTP management activities necessary to support the whole programme, continuing and enhancing practice used in the delivery of previous LTPs. These activities include: Plan level monitoring and data collection; Evaluation of programme impacts; and Bid development to maximise funding available to the LTP partners. The total scheme cost is £150k for 2017/18. Details are provided in **Appendix 5**.

2.19 The recommendations are:

- That the Transport Committee approves the progression of the LTP Monitoring, Evaluation and Bid Development programme through Decision Point 2 and work commences work on Activity 6, Delivery;
- That Transport Committee approves the capital expenditure of £150k to deliver LTP Monitoring, Evaluation and Bid Development programme, funded from the LTP IP3 programme; and

- That Transport Committee approve the Assurance Pathway and Tolerances as recommended by the PAT. This approval route will be subject to the schemes remaining within the tolerances outlined.

### **Morley Transport Hub**

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12a, Local Government Act 1972, Part 1	

2.20 A scheme to deliver an improved Public Transport hub for Morley was previously approved by Transport Committee in October 2014. The scheme is one of a programme to improve interchange and integration through the development of transport hubs as set out in the LTP. Delivery of Morley hub has been delayed to accommodate design changes following public and stakeholder consultation. Detailed design is now complete and the scheme is ready for delivery in 2017/18. The total scheme cost is £150k. Project details are provided in **Appendix 6**.

2.21 The recommendations are:

- That the Transport Committee approves the progression of the Morley Transport Hub project through Decision Point 5 and work commences on Activity 6, Delivery.
- That the Transport Committee approves capital expenditure of £150,000 to deliver the Morley Transport Hub project, funded from the LTP IP3 programme.
- That Transport Committee approve the Assurance Pathway and Tolerances as recommended by the PAT. This approval route will be subject to the schemes remaining within the tolerances outlined.

### **Bradford Interchange Access/Huddersfield Transport Hub Totem Installation**

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12a, Local Government Act 1972, Part 1	

2.22 The NPIF 2017/18 allocation is providing funding for a WYCA-led programme of schemes to deliver Public Transport interchange and route upgrades, including the following two small schemes:

- Bradford Interchange Access – small scale improvements to the short stay car park and Taxi drop off/circulation to improve ease and safety for interchanging passengers;
- Transport Hub Totem installation at Huddersfield Bus Station, including associated wayfinding signage.

2.23 The total cost of these schemes is £120k (with Bradford Interchange Access: £100k and Huddersfield Bus Station totem: £20k). Both schemes are planned for completion in 2017/18. Project details are provided in **Appendix 7**.

2.24 The recommendations are:

- That Transport Committee approves the progression of Bradford Interchange Access Improvements and Transport Hub Totem Installation projects project through Decision Point 5 and work commences on Activity 6, Delivery;
- That Transport Committee approve capital expenditure of £100k to deliver the Bradford Interchange Access Improvements and £20k to deliver the Transport Hub Totem Installation at Huddersfield Bus Station, both funded from the NPIF 2017/18 programme.

### **Cycle Network Development**

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12a, Local Government Act 1972, Part 1	

2.25 The main focus of work in 2017/18 is the development of Local Cycling and Walking Infrastructure Plans (LCWIPs), to deliver government objectives for increase the role and use of cycling. More detail on the proposed LCWIP development is provided in Item 15 City Region Transport Update to this Committee. This funding would support network and policy development for cycling and walking including Strategic Routes Feasibility Design, Cycling and Walking Strategy development, Development of tools to aid targeting and delivery of improvements. Details are provided in **Appendix 8**.

2.26 The total cost of activities is £100k (with £50k in 2017/18 and £50k in 2018/19).

2.27 In addition to the capital expenditure identified above, WYCA is also progressing on behalf of the West Yorkshire Districts an Expression of Interest submission to the Department for Transport to secure technical consultancy support to help develop Local Cycling and Walking Infrastructure Plans. If successful the West Yorkshire Districts and WYCA could receive up to 80 days of free technical support. The level and nature of support required varies across the Districts. This technical support would be aligned with the capital expenditure. The EOI is required to be submitted to the DfT by 30 June.

2.28 The recommendations are:

- That the Transport Committee approves the progression of the Strategic Cycle Network Development programme through Decision Point 2 and work commences on Activity 6, Delivery;
- That Transport Committee approves the capital expenditure of £100k to deliver the Strategic Cycle Network Development programme, funded from the LTP IP3 programme

### **3 Financial Implications**

3.1 The LTP and NPIF projects/programmes identified in this report were included in the approved LTP Integrated Transport Implementation Plan (IP3) programmes and NPIF 2017/18 programme agreed by Combined Authority at its meeting of 6 April and use a combination of the LTP Integrated Transport Block and NPIF funding sources:

- Rail Strategy development, LTP Monitoring, Evaluation and Bid Development, Morley Transport Hub and Cycle Network Development to be funded in full from the LTP Integrated Transport Implementation Plan (IP3) programme
- Bus Station CCTV Digital Upgrade project and Bus Hotspots programme to be funded from a combination of LTP IP3 and NPIF 2017/18 programmes.
- Bradford Interchange Access Arrangements/Transport Hub Totem Installation projects to be funded in full from the NPIF 2017/18 programme.

### **4 Legal Implications**

4.1 The Transport Committee has delegated authority to approve the capital expenditure sought in this report for the delivery of LTP.

4.2 Delivery of the Bus Station CCTV Digital Upgrade project will be subject to a contract with the preferred tenderer.

4.3 Funding agreements will be entered into with Bradford, Calderdale, Kirklees and Wakefield Councils for delivery of schemes within the Bus Hotspots programme.

### **5 Staffing Implications**

5.1 None as a result of this report.

### **6 External Consultees**

6.1 West Yorkshire LTP Partners have been consulted in the drafting of this report.

## **7 Recommendations**

- 7.1 That Transport Committee approves in respect of the Bus Station CCTV digital upgrade project:
- The project progresses through Decision Point 5 (Full Business Case with Finalised Costs) and commences work on Activity 6, Delivery;
  - The increase in total project capital costs from £550k and grant approval for capital expenditure of £1.095m to deliver the Bus Station CCTV digital upgrade project, funded from the LTP IP3 and NPIF programmes.
  - That Transport Committee approve the Assurance Pathway and Tolerances as recommended by the PAT. This approval route will be subject to the schemes remaining within the tolerances outlined.
- 7.2 That Transport Committee approves in respect of the Bus Hotspots programme:
- The programme progresses through Decision Point 5 (Full Business Case with Finalised Costs) and work commences on Activity 6, Delivery;
  - Capital expenditure of £1.037m to deliver the Bus Hotspots programme, funded from the LTP IP3 and NPIF programmes.
  - That Transport Committee approves the entering into a Funding Agreement with Bradford Council for expenditure of up to £674,400, with Calderdale Council for expenditure of up to £20,000, Kirklees Council for expenditure of up to £168,700, and Wakefield Council for expenditure of up to £173,500.
  - That Transport Committee approve the Assurance Pathway and Tolerances as recommended by the PAT. This approval route will be subject to the schemes remaining within the tolerances outlined.
- 7.3 That Transport Committee approves in respect of the Rail Policy and Programme Development programme:
- The programme progresses through Decision Point 2 and work commences on Activity 6, Delivery;
  - Capital expenditure of £300k to deliver the Rail Policy and Programme Development programme, funded from the LTP IP3 programme.
  - That Transport Committee approve the Assurance Pathway and Tolerances as recommended by the PAT. This approval route will be subject to the schemes remaining within the tolerances outlined.
- 7.4 That Transport Committee approves in respect of the LTP Monitoring, Evaluation and Bid Development programme
- The programme progresses through Decision Point 2 and work commences on Activity 6, Delivery;
  - Capital expenditure of £150k to deliver LTP Monitoring, Evaluation and Bid Development programme, funded from the LTP IP3 programme

- That Transport Committee approve the Assurance Pathway and Tolerances as recommended by the PAT. This approval route will be subject to the schemes remaining within the tolerances outlined.
- 7.5 That Transport Committee approves in respect of the Morley Transport Hub project:
- The project progresses through Decision Point 5 (Full Business Case with Finalised Costs) and work commences on Activity 6, Delivery;
  - Capital expenditure of £150,000 to deliver the Morley Transport Hub project, funded from the LTP IP3 programme
  - That Transport Committee approve the Assurance Pathway and Tolerances as recommended by the PAT. This approval route will be subject to the schemes remaining within the tolerances outlined.
- 7.6 That the Transport Committee approves in respect of the Bradford Interchange Access and Huddersfield Transport Hub Totem Installation projects:
- The projects progress through Decision Point 5 (Full Business Case with Finalised Costs) and work commences on Activity 6, Delivery;
  - Capital expenditure of £100k to deliver the Bradford Interchange Access Improvements and £20k to deliver the Transport Hub Totem Installation at Huddersfield Bus Station, both funded from the NPIF 2017/18 programme.
- 7.7 That the Transport Committee approves in respect of the Strategic Cycle Network Development programme
- The programme progresses through Decision Point 2 and work commences on Activity 6, Delivery;
  - Capital expenditure of £100k to deliver Strategic Cycle Network Development programme, funded from the LTP IP3 programme

## **8 Background Documents**

- 8.1 None