

Appendix 1 – BSIP Update Project Approval

<p>Bus Service Improvement Plan – Network Enhancement and Superbus</p> <p>West Yorkshire</p>	<p><u>Scheme description</u></p> <p>This scheme will expand the core network of bus services and routes in West Yorkshire. This will include more frequent services, more bus routes and longer service hours. The scheme contributes to ongoing improvements to the region’s bus services and is part of the Bus Service Improvement Plan (BSIP) Programme.</p> <p>The scheme now seeks to amend the Halifax to Huddersfield Superbus element of the programme and also provide a Wakefield Superbus scheme.</p> <p>This scheme is funded by the Department for Transport’s Bus Service Improvement Plan fund, which is part of the National Bus Strategy.</p> <p><u>Impact</u></p> <p>The scheme seeks to increase bus passenger numbers by making bus travel more attractive and better suited to the travel needs of the people of West Yorkshire. It will provide greater accessibility to education, employment, and housing, by bus, and help facilitate a switch from car travel and therefore reduce greenhouse gas emissions.</p> <p>A value for money assessment will be carried out alongside further development of the scheme scope and design as part of the development of the full business case for the scheme.</p> <p><u>Decision sought</u></p> <p>The change request is approved, to the change of scope of the BSIP Superbus element of the scheme, and to release a further £3,168,245 from the existing Bus Network Plan and Superbus scheme budget, taking the total approval from £7,998,434 to £11,166,679.</p> <p>Total value of the scheme - £29,100,000</p> <p>Total value of Combined Authority funding - £29,100,000</p> <p>Funding recommendation sought - £3,168,245.</p> <p>A decision by the Transport Committee using the delegated authority from the Combined Authority is sought as part of this report</p>
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Project Title	Bus Service Improvement Plan – Network Enhancement and Superbus
Stage	1 (assessment and sequencing)
Decision Point	2 (strategic outline case)

Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:		
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Background

- 1.1 This scheme will be funded by the Department for Transport (DfT) through the Bus Service Improvement Plan (BSIP). This is a £69,974,070 fund covering West Yorkshire. The objectives of the BSIP programme are to dramatically improve bus services outside of London through greater local leadership, reverse the recent shift away from public transport and to encourage passengers back onto buses. The Bus Service Improvement Plan funding is part of DfT’s National Bus Strategy (NBS).
- 1.2 In April 2022, the Combined Authority was notified by the Department for Transport (DfT) that it had been indicatively awarded £69,974,070 in revenue funding, over three financial years, to support delivery of its Bus Service Improvement Plan. A further £7,750,442 in revenue funding from DfT (BSIP+) was confirmed in September 2023, bringing the total value of the programme to £77,724,512.
- 1.3 In agreeing what the funding should be spent on, the DfT advised that it wanted to see it prioritised towards ‘cheaper and simplified fares’ and ‘increased service frequencies and new routes’.
- 1.4 Please refer to the main Bus Service Improvement Plan (BSIP) Update report for the detail of how the funding is being allocated.
- 1.5 This appendix / project approval is for the Network Enhancement and Superbus scheme:
 - “Superbus” – network enhancements (£10,600,000) which will include:

- Interventions on specific travel routes which will facilitate increased frequency of bus services alongside bus priority measures that will improve journey times.
- Network Enhancements (£18,500,000) including new and enhanced bus services which will:
 - Expand the frequency of some services to run every 15 minutes or quicker.
 - Extend the times that services run to start earlier in the morning and to continue later into the evenings.
 - Improve the regularity of less frequent services.
 - Improve provision of services in more rural and economically disadvantaged areas.

1.6 When this scheme received approval to proceed through decision point 2, strategic out outline case (SOC) from the Transport Committee on 26 May 2023, delivery was to be divided into four tranches:

- Tranche 1 - Network protection and 'quick win' enhancements
- Tranche 2 - New connections and further enhancements
- Tranche 3 - Development pot for currently undeveloped suggestions
- Tranche 4 - Enhanced Bus Services (Superbus schemes)

1.7 This scheme now comes forward seeking approval to revise the Halifax to Huddersfield Superbus proposal, to take account of cost increases for delivery and ensure improved services and frequencies can be delivered. The proposals now also include provision of a Wakefield Superbus scheme to ensure all districts in West Yorkshire has a Superbus scheme; this will focus on enhancing services in the Altofts and Normanton areas with better links to Pinderfields.

1.8 To fund this, approval is sought to draw down £3,168,245, which will bring the total approval to £11,166,679. The total scheme costs remain unchanged.

Outputs and Outcomes

1.9 The Superbus proposals will feed into the overall scheme outcomes, which are:

- Increase bus patronage (to support the BSIP target of 15% by 2025 and 30% by 2030).
- Increase passenger satisfaction with the local bus network (to support the BSIP target of 7.5/10 by 2025 and 8/10 by 2030).
- Stabilise and grow the local bus network (increased mileage and reduced service cuts year on year).
- Improved housing accessibility via the core bus network (to support the BSIP target of 55% by 2025, 65% by 2030).

- Improved employment accessibility via the core bus network (to support the BSIP target of 60% by 2025, 70% by 2030).
- Deliver new bus services, which includes enhanced bus service routes.
- Deliver enhancements to existing bus services, which includes enhanced bus service routes.
- Reinstate previously withdrawn bus routes where possible.

Tackling the Climate Emergency Implications

- 1.10 A Stage 1 carbon impact assessment of the scheme was undertaken for the Strategic Outline Case. This highlighted positive changes in terms of air quality and greenhouse gas emissions as a result of the new and enhanced services encouraging people to travel by bus rather than private car. On going and more detailed assessments will be undertaken throughout the development of this scheme and will be included at decision point 4 full business case (FBC).
- 1.11 The scheme aims to contribute to tackling the climate emergency by creating improved and more attractive bus services to encourage more people to travel by bus more often, rather than private car to help reduce carbon emissions.

Inclusive Growth Implications

- 1.12 The scheme will support inclusive growth by providing new, integrated bus services which aims to meet the needs of everyone, particularly for economically and socially deprived communities. This will enable more people to have better access to good, high quality employment opportunities.
- 1.13 Better bus accessibility and connectivity will also enable more people to access education and training opportunities, especially for younger people and those on low incomes, contributing to the enhancing of productivity for the region. An increased number of bus services and/or buses running for greater durations of the day will also contribute to enabling the creation of more jobs locally.
- 1.14 The scheme will particularly benefit those without access to a car, as it will provide an improved travel option to access homes, places of employment, education, training, leisure and other social value opportunities that are available.

Equality and Diversity Implications

- 1.15 An Equality Impact Assessment (EqIA) has been undertaken for the scheme and equality and diversity impacts taken account of as part of the development of the scheme and in the business case development.
- 1.16 It was noted that the following groups with Protected Characteristics will experience a positive impact from the scheme:
- Age - positive impact on older and younger people who tend to use public transport more than other age groups. Improved connectivity of

services throughout the day and in evenings and weekends will be particularly beneficial to those age groups too.

- Disability - this group, generally, has an increased reliance on public transport so the improvements are likely to have positive benefits including reducing the impacts of loneliness and opening up access to employment, leisure facilities and health appointments.
- Race – minority ethnic groups are more likely to live in neighbourhoods that are classed as deprived and, on average, make more trips by bus. As such improvements are likely to have positive benefits.
- Sex/Gender – women are statistically more likely to use public transport than men, as such this group will be more positively impacted by the scheme.

Consultation and Engagement

- 1.17 This scheme has been developed in consultation with internal and external stakeholders including the Combined Authority's transport services and delivery teams, members of the West Yorkshire Bus Alliance and local politicians, as well as using analysis of customer insight and intelligence gained through previous consultation and research exercises. However, specific engagement or public consultation relating to the proposed additional Superbus route has not happened at this stage.

Risks

- 1.18 The scheme risks and mitigations are:

- Projects within the BSIP scheme are costing more than originally anticipated, and there is a risk that the programme may be unable to deliver all the planned outcomes. This will lead to dissatisfaction amongst passengers and the general public alongside reputational damage to the Combined Authority.

To mitigate this the recently announced £13,300,000 of additional BSIP funding could be used to support any unanticipated cost increases.

- Lack of capacity within the Combined Authority's delivery team risks delays to the bus network delivery. This risks stakeholder dissatisfaction leading to reputational damage as well as passengers not realising benefits of the scheme sooner.

This will be mitigated by ongoing review of the BSIP programme and ongoing monitoring of resource and capacity needs alongside regular engagement with wider teams to understand capacity to contribute can mitigate this.

- There is a risk that the Wakefield Superbus scheme will not fully meet ambitions. This is due to the current lack of clarity around the full scope, increasing the risk that costs are much higher than anticipated.

This will be mitigated through ongoing discussions with the relevant operator to ensure that the scope and budgets are clearly defined alongside ongoing monitoring of costs and spending.

Costs

- 1.19 At its meeting on 26 May 2023, the Transport Committee (decision point two, strategic outcome case (SOC) gave indicative approval to the total scheme costs of £29,100,000, consisting of £18,500,000 for the Bus Network Plan and £10,600,000 for Enhanced Bus Services (now Superbus).
- 1.20 Delivery costs of £6,228,434 were approved for the delivery of Tranche 1 (£3,000,000) and the first Superbus schemes (£4,228,434), taking the total approval to £7,998,434.
- 1.21 Approval is now sought for a further £3,168,245 taking the total approval to £11,166,679. This is comprised of the following:
- Up to £2,000,000 to deliver the Wakefield Superbus scheme.
 - An additional £1,168,245 to deliver the revised Halifax to Huddersfield Superbus scheme, increasing the budget from £1,469,527 up to £2,637,772.
- 1.22 The Combined Authority will provide funding to the bus operators, by using existing contractual arrangements, for expenditure of up to £11,166,679 from the Bus Service Improvement Plan Revenue funding.

Assurance Pathway and Approval Route

Assurance pathway	Approval route	Forecast approval date
Decision Point 4 (FBC)	Recommendation: Combined Authority's Portfolio Investment Panel Decision: Chief Executive	16/04/2024
Decision point 5 (delivery)	Recommendation: Combined Authority's Portfolio Investment Panel Decision: Outcome Director	31/03/2025

Other Key Timescales

- 1.23 Other key timescales are:
- Implementation of Tranche 1, and Halifax to Huddersfield Superbus – February 2024.
 - Implementation of Wakefield Superbus – May 2024.
 - Implementation of Tranche 1.5 – July 2024.
 - Implementation of Tranches 2 & 3 – from October 2024.

Assurance Tolerances

1.24 The previous approvals and assurance tolerances set are outlined below:

Control area	Baseline Tolerance approved by the Combined Authority at DP2	Baseline Approval by the Combined Authority at DP	Requested Change Request Approval	Within tolerance?
Date	26/05/23		29/01/24	
Total Cost	£29,100,000		£29,100,000	
Combined Authority Funding	100%	£29,100,000	£29,100,000	Y
Completion Date (DP5)	6 months	31/03/2025	31/03/2025	Y
Outputs & Outcomes	+/- 10%	As per SOC DPC	As per this report	Y

1.25 The revised assurance tolerances for the recommended approval in this report are:

Assurance tolerances
<p>Combined Authority funding remain within +10% of those outlined in this report.</p> <p>Completion/service delivery date remains within +6 months of those outlined in this report.</p> <p>Outputs remain within -10% of those outlined in this report.</p>

Appraisal Summary

1.26 The strategic importance of the scheme is noted in that it can improve the accessibility and connectivity of public bus services to employment, education and social value opportunities. The scheme can also help facilitate a shift away from private car trips to contribute to the decarbonisation of transport. The scheme therefore aligns with several national, regional and local policies and strategies.

1.27 The change request for release of additional funds appears to have primarily come forward in response to political pressures to accelerate delivery of more services, and to ensure each district in West Yorkshire has a Superbus route. Through the change request, the promoter seeks additional funding for a revision to the scope for the Halifax to Huddersfield Superbus proposal and provision of a Superbus scheme in the Wakefield district. The development of future tranches of bus improvements will be included in the forthcoming full business case for the remainder of the scheme.

- 1.28 The economic case for the overall project remains unclear. At the SOC stage it was considered that the optioneering and economic appraisal was not undertaken in a robust way. There appeared to be minimal consideration of options and it was unclear how preferred route options were identified for investment. This remains the case. Further detail is needed, to support the case for investment, including evidencing the options appraisal, stakeholder engagement and other factors considered as part of the prioritisation of schemes to demonstrate the proposals offer optimal value for money.
- 1.29 There appears to be a high level of uncertainty around scheme costs. The revised scope and cost of the Halifax to Huddersfield Superbus proposal demonstrates this and so there is a risk regarding what the remaining funding can/will deliver.
- 1.30 The scheme elements that were approved for delivery at SOC stage have not been delivered yet (it is anticipated they will be delivered by February 2024). It is mentioned that the change will better ensure that bus services can be introduced and/or enhanced sooner and mitigate against delays to the overall delivery of the programme, with the proposals to be implemented prior to the March 2025 (Decision Point 5) delivery date previously set out.

Recommendations

- 1.31 Please refer to the main report.