



<b>Report to:</b>	West Yorkshire Combined Authority
<b>Date:</b>	14 <sup>th</sup> March 2024
<b>Subject:</b>	<b>West Yorkshire Mass Transit: Outcomes from the first Strategic Outline Case in advance of submission to the DfT and subsequent consultation and engagement activities.</b>
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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

## 1. Purpose of this Report

- 1.1 The purpose of this report is to update the Combined Authority on the progress and development of the Mass Transit Phase 1 Strategic Outline Case (SOC), providing an overview of the key points, in advance of submission to Department for Transport (DfT) and to seek approval to commence wider stakeholder engagement and consultation.
- 1.2 This paper presents an overview of the SOC, highlighting the key outcomes which form the preferred way forward of the Phase 1 of the West Yorkshire Mass Transit Network.
- 1.3 As the SOC is subject to assurance by the Department for Transport (DfT), it is considered prudent that the current draft is treated as confidential until that assurance has been completed. In addition, the SOC document contains a level of commercially sensitive information around the potential for land value changes as a result of possible route information entering the public domain at this stage. For these two reasons, the full SOC has not been shared with this paper, however the key outputs have been detailed in this report.

- 1.4 The report seeks Combined Authority approval of three key decisions:
- a) To note the SOC work that has been undertaken and delegate submission of the SOC to the DfT to the Mayor and Executive Director for Transport for submission to the Department for Transport.
  - b) Approval to continue development of Phase 1 of the Mass Transit Programme and to commence work on development of the Outline Business Case and Transport and Works Act Order application.
  - c) Approval to commence wider stakeholder engagement in March 2024 and public consultation on Phase 1 in Summer 2024.
- 1.5 The report also sets out the case for approving the allocation of up to £1 million funds from the Mass Transit budget to support the Dewsbury Line Development Project in parallel with the development of the future Kirklees Local Plan.

## 2. Information

### Background

- 2.1 At the Combined Authority Meeting of 17<sup>th</sup> March 2022 members approved the commencement of an Outline Business Case (OBC) for the Programme Integration Business Case and *the commencement of a Strategic Outline Case for the four phased corridor projects* within the programme and referenced in the Mass Transit Vision.
- 2.2 In its Mass Transit Vision 2040, West Yorkshire Combined Authority sets out its bold vision to make West Yorkshire greener, more inclusive and better connected and that to achieve this, West Yorkshire needs an equally bold approach to public transport.
- 2.3 Alongside cycling and walking, and bus and rail, Mass Transit is essential to help communities thrive and our economy flourish, bringing people and places closer together. By offering a new public transport option, which increases capacity and provides an attractive alternative to car travel, Mass Transit will support and facilitate:
- A low emission, low carbon, inclusive future
  - A bigger, stronger and rebalanced economy – increasing access to jobs, education and training.
  - Enhanced quality of life for West Yorkshire’s residents and visitors.
  - Inclusive growth through improving transport for up to 675,000 people within the top 20% most deprived communities within West Yorkshire
  - Sustainable development and regeneration of neighbourhoods, district centres, towns and cities.
- 2.4 The Vision is part of an integrated transport plan, providing alternative transport options for different types and lengths of journeys, helping to address the capacity challenge in different ways. For example, Mass Transit and local rail are seen as **complimentary** with Mass Transit providing much needed capacity, quality and connectivity and a step

change in quality, helping to provide local journeys with a real step-change alternative to the car, whereas rail can cater for interurban, regional, and national journeys.

- 2.5 The Vision anticipates that the delivery of the first phase will be based around the 4 corridors identified overleaf:

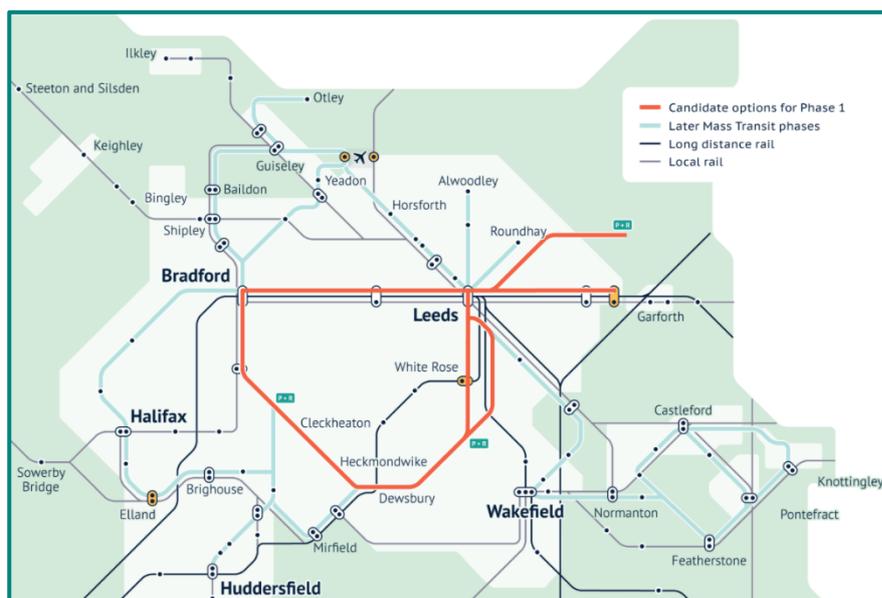


Figure 2.1: Mass Transport Vision 2040 - "candidate options for Phase 1"

- 2.6 The corridors were:

- East Leeds (including both East Leeds Park and Ride and East Leeds to Garforth route options)
- South Leeds to Dewsbury (including both Middleton and White Rose route options)
- Bradford to Leeds
- Bradford to Dewsbury

- 2.7 As the SOC has progressed it emerged that some of the candidate corridor options for Phase 1 (Figure 2.1) were deemed less favourable through option sifting (predominantly due to low forecast travel demand) and therefore the focus moved to those candidate corridors that have been identified as having the potential to provide a stronger business case for Mass Transit. This preferred way forward for Phase 1 has been communicated to MP's, senior elected members and senior Officers in the Districts affected. It is set out in the SOC and in this paper and is what Members are being asked to approve.

- 2.8 As noted above, not all candidate options for Phase 1 that were considered as part of this SOC will be taken forward to OBC. However, this does not mean that they will not form part of the Mass Transit future network. As the programme is developed, further work will be undertaken to understand the potential demand, taking into account future housing, employment and regeneration opportunities and aspirations.

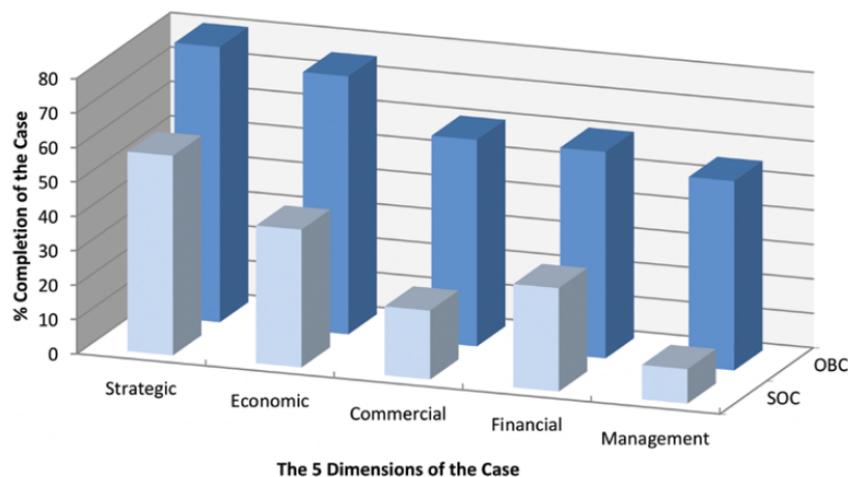


- 2.9 Initial transport modelling and analysis of the Bradford to Dewsbury corridor highlighted low passenger demand based on currently known forecast scenarios, which resulted in this corridor not being considered viable as a potential Phase 1 option. However, the need to close the connectivity gap between Bradford and Dewsbury is recognised and this corridor, along with other corridors (including the East Leeds Corridor) which were sifted during the SOC appraisal process will be revisited as part of subsequent Mass Transit corridor appraisals and are therefore still potential candidate corridors in the future Mass Transit network.
- 2.10 The Mass Transit Vision is clear that to ensure that no part of West Yorkshire is left behind development work will continue with district partners on all potential transit corridors with possible second and third phases coming online after 2033.

### 3. The Strategic Outline Case (SOC)

#### Overview

- 3.1 The SOC has been developed following the Treasury Green Book's five case business case model and has been undertaken in compliance with DfT Transport Analysis Guidance (TAG). This is split into the five dimensions (Strategic, Economic, Financial, Commercial and Management). Based on a proportionate approach, at SOC stage the evidence is weighted towards qualitative assessments (see below figure), with a focus on the Strategic Dimension, although early development of the other dimensions should also feature.



#### SOC Development

- 3.2 At SOC stage it is important to have a strong candidate option for phase 1 as it greatly increases the potential for the DfT to recognise it as a strong business case for the award of funding and provide a keystone for further network development. The SOC has been developed following the Mass Transit Vision and the work that supported it. For the three corridors under consideration in this SOC, light rail/tram is proposed as the leading and preferred technology option, bearing in mind that DfT/HMT also require a lower cost option to be similarly appraised for all corridors.

- 3.3 To undertake the option assessment, potential route options within the corridors were designed and a two-stage sifting process was developed. These potential route options had been developed in parallel as part of a design process in partnership with Leeds City Council and Bradford Council and Kirklees Council.
- 3.4 Building on the existing evidence base and utilising a variety of modelling and data sources, the potential routes were sifted using a two-stage process as summarised below and illustrated in Figure 3.1 below:

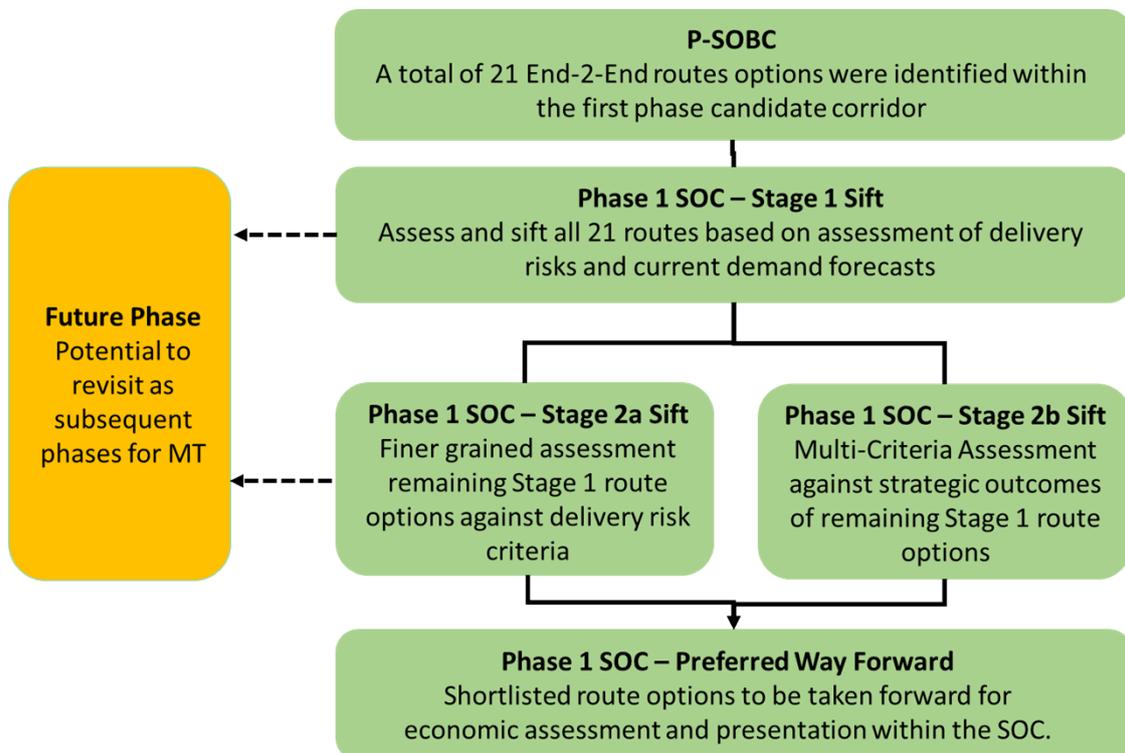


Figure 3.1: Option Assessment sifting process and stages

- 3.5 Any route option which was moved into the “Future Phase” category (Figure 3.1) through the sifting process, means that the option is not considered as a suitable candidate for first phase implementation.
- 3.6 The process used to arrive at the two corridors to take forward (Preferred Way Forward) to OBC from an initial list of four, has been undertaken in line with Central Government Treasury Green Book’s five case business case model and compliant with DfT Transport Analysis Guidance. The establishment of this core network will give us the opportunity if these development-based conditions change over time to go back to these areas and look at them again and investigate whether certain routes could be brought forward, or whether they might be suitable for alternative modal treatments as part of the developing West Yorkshire Integrated Transport Network.

## SOC Phase 1 – Conclusions (Preferred Way Forward).

### **Phase 1a: Leeds and Bradford Lines**

- 3.7 Consolidating and reviewing the results from the two-stage option assessment and appraisal exercise, the SOC identified two corridors that together should be taken forward to the OBC Phase 1a of the wider West Yorkshire Mass Transit network. Serving these two corridors will be the hubs of Mass Transit which are Leeds and Bradford City Centre, including a common route section between St James's University Hospital and Leeds city centre, therefore providing a strong baseline for further phases of the Mass Transit network, including initial depot provision. To confirm, the two initial lines that are proposed are:
- **The Leeds Line**, which will operate between St James's University Hospital and White Rose via Leeds city centre and Elland Road.
  - **The Bradford Line**, which will operate from St James's University Hospital to Bradford Forster Square via Leeds city centre and a planned new railway station south of Bradford city centre.

### **Phase 1b: Dewsbury Line Development Project**

- 3.8 Officers have worked with colleagues in Kirklees Council to review the case for the southern section of the Leeds to Dewsbury route from the White Rose to Dewsbury. The full corridor does not form part of the Phase 1a proposals at this stage due to the early status of wider development plans along the potential alignments, pending the progression of the Local Plan process agreed by Kirklees Council in recent months. By bringing forward plans for housing and mass transit through the Local Plan, the Dewsbury extension offers a unique opportunity to secure sustainable and successful communities and commercial development from the outset.
- 3.9 Therefore, it is proposed that a development fund of up to £1,000,000 from the Combined Authority's Mass Transit budget is set aside to support the Dewsbury Line Development Project, with further TWAO funds to be drawn down from a CRSTS 2 submission, subject to successful development of their Local Plan supporting Mass Transit appropriately.

#### Leeds Line

- 3.10 There remain several route options which will be considered further as Phase 1a South Leeds Outline Business Case is developed, leading to the identification of a Phase 1a South Leeds Preferred Option. The intention is that this is then subject to a Transport & Works Act Order application.

Of the options considered, Leeds City Council has a strong preference for those on the White Rose corridor. Leeds City Council and the Combined Authority propose that the White Rose options offer the greatest potential to support redevelopment and regeneration by bringing previously developed or existing low-density sites into more productive use and providing a link to Elland Road stadium. The potential regeneration benefits that a fast, reliable, high-capacity transport link would provide to such

destinations within this area support Leeds City Council's preference for an alignment that would best facilitate this opportunity.

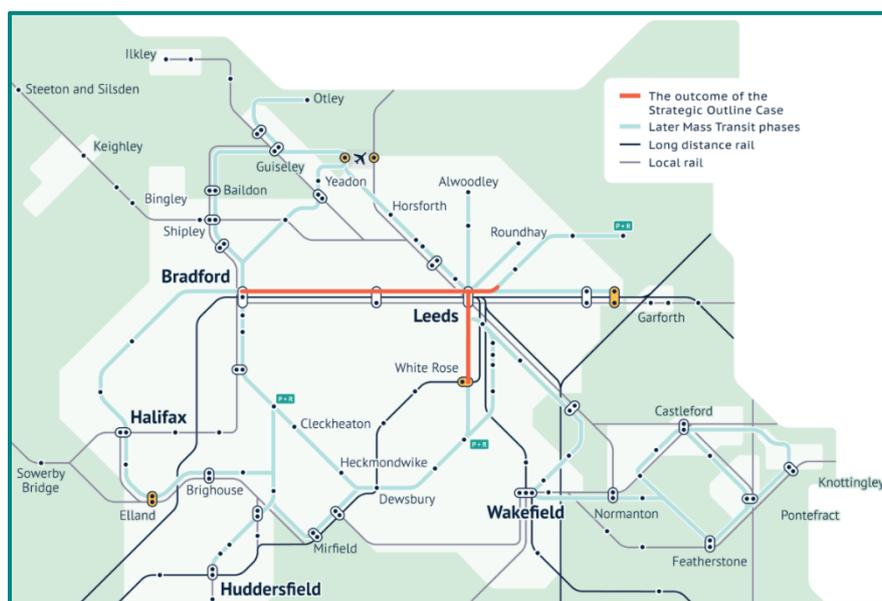
- 3.11 In summary Leeds City Council has a strong preference that Mass Transit should support and facilitate redevelopment and regeneration in the city, and specifically that Mass Transit should be integral to its emerging South Leeds Strategic Vision. To that end, the Middleton route options, and that associated corridor have been removed from the preferred way forward for Phase 1a SOC.

### Bradford Line

- 3.12 The SOC has identified a strong strategic case to link Leeds and Bradford and define them as the two hubs of this first phase of Mass Transit. Bradford Council's plans to regenerate the southern gateway including a new train station will play a key part in shaping the Bradford line and will define the city's future transport hub. The line will complement the parallel fast city-to-city electrified rail service. The siting of the station is yet to be determined but this will be a key factor in helping us frame the Bradford Line more precisely. Further work is being and other partners (Network Rail, DfT etc.) to determine this.

- 3.13 Figure 3.2 below shows the Phase 1a preferred way forward for the Leeds Line and Bradford Line diagrammatically. This is the result of the SOC and therefore what Combined Authority members are being asked to approve:

- That potential routes identified within these corridors have a sufficiently strong business case, that they introduce operable and coherent transport options, they have support from both Bradford and Leeds Councils and when considered against other options (including those routes shown as potential future route options) have a lesser risk of deliverability and therefore can realise benefits of Mass Transit at the earliest opportunity.



• Figure 3.2: The preferred way forward (Phase 1 SOC)

### Cost, Benefits and Funding

- 3.14 As part of SOC development a cost estimate of the scheme has been produced. This cost estimate has been based on the maturity of the designs at this stage in the process and checked against benchmarks from around the country. Based on the work carried out to date, Phase 1 is likely to be a £2bn+ investment.
- 3.15 This figure needs to be set against recent government announcement where:
- The Leeds City Region is one of four city regions to receive a share of £22bn for major public transport schemes, as recommended by the National Infrastructure Commission (October 2023); and
  - The Network North plan provisionally allocated a sum of £2.5bn over City Regional Sustainable Transport Settlements 2 and 3 (2027-32 and 2032-37).
- 3.16 As part of the assurance process at this stage in the development of the scheme, the DfT would like to see an early indication of the traditional economic benefits, set against the cost detailed above. There are many factors to take into account when determining economic benefits of a mass transit scheme. Two factors of significant importance that go into generating good levels of economic benefits are: 1- forecast levels demand and; 2- how potential disbenefits to existing highway users will be dealt with either as part of the development of the scheme or (and this is more advantageous) as part of a wider policy of demand management that looks to lessen the use of the private car, in parallel with, (and not as a result of), the introduction of mass transit. Therefore, those highway disbenefits are not taken into account when calculating economic benefits of the mass transit scheme.
- 3.17 Taking these factors into account in the current assessment, there is currently a confidence that both corridors proposed in this SOC will provide cost benefit ratios of around 1, i.e. they would deliver approximately £1 of benefit for each £1 spent. This cost benefit ratio takes into account significant one-off upfront costs such as depot and initial rail vehicle fleet provision in addition to the cost of constructing the route.
- 3.18 This level of benefits is entirely typical for public transport light rail projects at this stage in their development. There is more detailed modelling work to be undertaken with the new Regional Transport Model that we are developing and there are still a number of wider economic benefits and regeneration benefits to be considered as part of the economic analysis. This means that we fully expect the cost benefit ratio to increase at outline business case stage.
- 3.19 In the development of the OBC there will need to be consideration of local funding contributions. A strong Local Contributions Statement will be needed for OBC/TWAO submission, and a Full Local Contributions Plan will be needed for Full Business Case (FBC) and final funding negotiations. The current scale of likely costs suggests a local fund of c.£500m would be required in the first instance. This Equates to c.£30m per annum finance costs (based on 30-year prudential borrowing).



- 3.20 Running in parallel to the Business Case, work on a multi-source funding package is now underway. This will ensure that West Yorkshire is in the best place to capitalise on all funding opportunities and grants as they become available and gives HMG some surety around our strategy for funding.

#### Implication for SOC Submission to DfT

- 3.21 The submission of the SOC initiates the formal DfT assurance process, where the scheme will be appraised in line with national guidance for scheme appraisal. The outcome sought is an approval from DfT and HMT that the business case at SOC level is sufficiently strong and robust and therefore that there is an agreement to progress onto the development of the OBC.
- 3.22 Following Ministerial sign-off of the SOC, the Phase 1 preferred way forward moves into OBC stage, with greater design detail, analysis and appraisal of the scheme. After OBC it is expected that the final Phase 1 scheme will be taken forward through a Transport and Works Act Order (TWAo), with construction currently programmed to commence in 2028.

## **4 Consultation and Stakeholder Engagement**

- 4.1 Should CA members be minded approving submission of the SOC to the DfT, Officers would like to make a start on wider stakeholder engagement in March and commence a route options consultation in Summer 2024 on the routes (Leeds Line and Bradford Line) within the corridors to be taken forward to OBC.

#### Stakeholder Engagement

- 4.2 The approval requested is to commence wider engagement with statutory and technical stakeholders. This activity is designed to facilitate one-to-one meetings with both statutory and technical stakeholders. These interactions are aimed at gathering valuable insights and perspectives on the proposed route options.
- 4.3 Furthermore, permission is sought to conduct environmental and topographical surveys on privately owned land. These surveys are integral to the environmental statement, a vital component of the TWAo. Due to their seasonal nature, the timing of these surveys is crucial and depends on specific periods throughout the year. Consequently, obtaining approval to carry out these surveys is key.
- 4.4 Proactive communication with landowners, political stakeholders in areas where surveys are planned, and engagement with district partners will be undertaken to ensure clear and consistent communication and minimise any potential concerns and demonstrate a transparent approach.

#### Route Options Consultation

- 4.5 The Phase 1 options consultation will be non-statutory and will take place in summer 2024. The consultation will be on both the Leeds Line and Bradford Line options. Potential route options for both lines will be shown. Additional information such as the advantages and disadvantages of these routes and regeneration / placemaking opportunities that Mass Transit will connect to along these potential routes will also be

provided allowing stakeholders to feedback their views on the route options and the placemaking opportunities.

- 4.6 This information will enable the Mass Transit project team to understand stakeholders' views through non-statutory consultation feedback to help guide the design and consenting process.
- 4.7 As the scheme is in the very early stages of consultation, it is recognised that it is too early to specify which properties or land will be directly affected by Mass Transit Phase 1a route options. Work is underway to develop a support scheme for property owners and will be published in due course.

## **5. Tackling the Climate Emergency Implications**

- 5.1 Carbon emissions generated by transport are currently at levels that, without significant intervention and changes to processes, a net zero carbon future by 2038 will not be achievable. Road transport is the biggest contributor to roadside air pollution with cars being the largest source of emissions.
- 5.2 To meet the 2038 net zero target, and even with a shift to zero/low emission vehicles, analysis suggests that a reduction of total vehicle kilometres exceeding 20% is necessary, accompanied by an increase in the use of sustainable modes (walking and cycling) and public transport. Transit also has the opportunity to support improvements to air quality and contribute to carbon reduction goals by providing an attractive lower carbon, lower emission transport option. Increased capacity provided by Mass Transit will allow for additional capacity on congested corridors, which affords the opportunity to improve vehicle flows which in turn will improve air quality.
- 5.3 Approval of the SOC will bring delivery one stage closer and allow more detailed work that will allow for the implementation of a carbon management process and the assessment of whole life carbon (WLC) impacts at all major lifecycle stages.

## **6. Inclusive Growth Implications**

- 6.1 A central common theme of the Mass Transit Vision 2040 and something that will be expanded in the detailed design phase of OBC is that investment in transport accessibility will make a positive contribution to driving forward inclusive growth.
- 6.2 Our approach to transport and how we will use Mass Transit is we will seek to provide it as a practical alternative to the private car that will help to tackle air quality issues and help provide access to jobs and education, especially for people currently less likely to access these opportunities. All routes have been assessed against whether they support accessibility for the hardest to reach communities to realise economic opportunities.

## **7. Equality and Diversity Implications**

- 7.1 During 2021, an ambitious statement of intent for Mass Transit and EDI was developed as part of a wider effort to strengthen the EDI approach for the Mass Transit Programme. This Statement of Intent outlines the Combined Authority's ambition for Mass Transit to be best in class regarding accessibility and inclusion as part of an integrated transport plan. EDI will be at the heart of its development and design.

7.2 The statement of intent was developed further into the 'People First' chapter of the Mass Transit Vision 2040 document, building upon one of the key design principles outlined within the Mass Transit Vision.

7.3 Running through the heart of the Business Case and the Design work for Mass Transit is the development of an EDI Strategy for Mass Transit that will anchor and provide guidance around how the EDI statement of intent and 'People First' element of the Mass Transit Vision will be embedded into the continued design and development of Mass Transit.

## **8. Financial Implications**

8.1 The City Region Sustainable Transport Settlement has awarded West Yorkshire Combined Authority a grant of £200 million of which £175 million is for development and enabling works for phase 1. At the West Yorkshire Combined Authority meeting of the 17<sup>th</sup> of March 2022, £31 million was made available to develop the SOC and the Programme Integration Business Case (Transport modelling).

8.2 It is the intention to ask members to approve further funding from the £175 million allocation to continue development of the phase 1 Outline Business Case at a subsequent CA meeting, post the DfT assurance and recommendation of the SOC.

8.3 As part of ongoing development around scheme design and developing the Business Case, the Internal Leadership Board and in-line with delegated authority, approved the award of a contract for the Mass Transit Design Development Partner. The contract has a potential maximum value of £30 million and is spread over a 10-year period. The award of this contract will allow, (subject to the approval to draw down more funding from the £175 million referenced above and a satisfactory outcome from the DfT's assurance) work to commence as soon as possible.

8.4 It is important to note that at this moment any approval from the Combined Authority to submit the SOC has no direct ramifications or does not commit the CA or partner authorities to any financial commitment.

## **9. Legal Implications**

9.1 There are no legal implications directly arising from this report.

## **10. Staffing Implications**

10.1 An Organisational Design business case was developed by the CA which supported the selection of an option to establish a new Mass Transit Directorate and combine the development of a permanent in-house Mass Transit team supplemented where necessary with temporary and specialist contracted and/or seconded resources.

10.2 This approach has sought to develop an appropriate internal Mass Transit capability to support the effective development and delivery of the Mass Transit Programme within a dedicated, credible and collaborative directorate.

10.3 The organisational structure is made up of Programme Management, Project Management and Technical teams, supported by enhanced corporate functions across

the Combined Authority, required to deliver the development stage and plan for future delivery stages.

- 10.4 The formation of the organisation was based on a combination of existing and new job profiles and sequenced to draw on the best available resources both internally and externally sourced. The approach was reviewed with Combined Authority directors and district partners and draws on industry experience and learning from development of similar programmes.

## **11. External Consultees**

- 11.1 No external consultations have been undertaken.

## **12. Recommendations**

- 12.1 That the Combined Authority:

- Notes the SOC work that has been undertaken and delegate submission of the SOC to the DfT to the Mayor and Executive Director for Transport for submission to the Department for Transport.
- Approves continued development of Phase 1a of the Mass Transit Programme and to commence work on development of the Outline Business Case and Transport and Works Act Order application.
- Approves commencing wider stakeholder engagement in March 2024 and public consultation on Phase 1a in Summer 2024.
- Approves the allocation of up to £1 million funds from the Mass Transit budget to support the Dewsbury Line Development Project in parallel with the development of the future Kirklees Local Plan.

## **13. Background Documents**

There are no background documents referenced in this report.

## **14. Appendices**

None.