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**Report to:** Transport Committee

**Date:** 15 March 2019

**Subject:** **Transforming Cities Fund and Connectivity Strategy Update**

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" 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:	

## 1. Purpose of this report

- 1.1 To provide an update on both Transforming Cities Fund and the Leeds City Region Connectivity Strategy, both of which are central contributions to the Combined Authority's core aims of enabling inclusive growth, boosting productivity, delivering 21<sup>st</sup> century transport and enabling clean growth.

## 2. Information

### Transforming Cities Fund

- 2.1 As part of the Government's Industrial Strategy and the National Productivity Investment Fund, the Transforming Cities Fund aims to drive up productivity through improved connections between urban centres and suburbs. To do this, the Transforming Cities Fund provides a significant opportunity to invest in infrastructure to improve public and sustainable transport connectivity in some of England's largest cities.
- 2.2 On 8 June 2018, West Yorkshire Combined Authority submitted the stage 1 TCF submission on behalf of the Leeds City Region ("LCR"). The contents of the LCR stage 1 decision were developed through a series of workshops, one-

to-one and committee meetings with members and officers from across the City Region. The stage 1 submission was also shaped by existing and ongoing work, such as the Leeds City Region Connectivity Strategy, and TCF is an opportunity to deliver interventions which are on the emerging pipeline as identified through the inclusive growth corridors plans.

2.3 The LCR Stage 1 submission was required to be published online and is available through the web-link below<sup>1</sup>. The LCR stage 1 submission focused around three themes:

- Strand 1: Transforming connectivity on four corridors in greatest need (these are a subset of the corridors of greatest economic need identified through the LCR HS2 Connectivity Strategy)
- Strand 2: Creating eight Transformed 21st Century Gateways (plus a number of smaller locations).
- Strand 3: Transforming mobility for future generations (which to a degree also cuts across Strands 1 & 2).

2.4 In September 2018, the DfT confirmed that the Leeds City Region was one of twelve areas successfully shortlisted by Government and is therefore able to submit bids for Stage 2.

2.5 With the scope and geography now agreed, through Stage 2 the detailed proposals within each strand need to be developed. DfT have advised that in the development of stage two submissions, successful city regions will work with DfT to develop scheme specific proposals.

2.6 On behalf of the Leeds City Region, the West Yorkshire Combined Authority is able to submit three tranches of bids:

#### *Tranche 1*

2.7 Individual 'small bids' (up to £10m) were submitted on 4 January 2019, following officer and member workshops in late 2018, for:

- Bradford Forster Square – Delivering the Masterplan.
- Kirklees Cycling and Walking Early Gateway Transformation Package.
- Leeds City Region Clean Bus Corridors and Accessibility Improvement Package.
- York Station Gateway Cycle Route Enhancements.

2.8 A DfT decision on the Tranche 1 bids is expected during February / March 2019.

#### *Tranche 2*

2.9 A Strategic Outline Business Case (SOBC) can be submitted by the Combined Authority (on behalf of the Leeds City Region) to the DfT, as draft, by 20 June 2019, with final submissions made by 28 November 2019. The SOBC is for a share of the £1.28billion available to the 12 successful areas, to be spent by 2023.

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<sup>1</sup> <https://www.westyorks-ca.gov.uk/transport/transforming-cities-fund/>

- 2.10 The guidance for Tranche 2 has now been published by the Department for Transport. It sets out that the SOBC will need to be a coordinated package of proposals which deliver transformed local public transport.
- 2.11 The TCF also provides a key opportunity to support priority 5 of the LCR Energy Strategy – to create an efficient and integrated transport system – through promoting sustainable public transport and enhancing infrastructure for walking and cycling. The bid will also build on the Local Cycling and Walking Infrastructure Plans which are currently in development, and will be influenced by the City Region’s emerging Inclusive Growth Strategic Framework which is being developed by the Inclusive Growth and Public Policy Panel.
- 2.12 The SOBC submissions will be scrutinised by the DfT. This is a competitive bidding process and the guidance sets out that funding will be awarded to proposals which best meet the strategic objectives of the fund and demonstrate strong value for money. The DfT have also highlighted that whilst business cases will be considered ‘in the round’, the greater the overall local contribution towards the costs and the more the contribution is from the private sector and other external organisations such as private transport operators, the more positively the business case will be considered in the assessment process.
- 2.13 As part of the development of the bid, Combined Authority officers are actively working with District council partners and other organisations, including transport operators, universities and businesses to explore the potential for securing match funding contributions.
- 2.14 A Leeds City Region bid which focuses on the supporting the Combined Authority’s core aims of enabling inclusive growth, boosting productivity, delivering 21<sup>st</sup> century transport and enabling clean growth through delivering the ‘Strands’ set out in Paragraph 2.3 is now in development, with further details to be brought back to Transport Committee (and the member working groups), ahead of the June 2019 submission.

### *Tranche 3*

- 2.15 Funding of £90 million was announced for the establishment of Future Mobility Zones in the Budget of November 2018 (£20m of this funding has been directly allocated to West Midlands). The Authorities that have been successful in reaching stage 2 of the Transforming Cities Fund process are eligible to bid for this funding.
- 2.16 The Department for Transport have not yet issued detailed guidance on the bidding process but we understand that proposals will be due for submission in May 2019. The Combined Authority is in the process of developing a bid for funding in coordination with our District partners.

- 2.17 Details of the content of the bid will be circulated to members of the Transport Committee when guidance on the geography of the bid and deadlines for submission have been confirmed by DfT.

### ***TCF Next steps***

- 2.18 On 13 December 2018, the Combined Authority delegated authority to Transport Committee to oversee and submit both the 'big bid' and the 'Future Mobility bid' and to utilise member working groups to develop the detailed scope and specification of the bids.
- 2.19 Workshops with members and officers as well as technical development work are now underway, along with a regular schedule of meetings with Department for Transport officers. A further update will be brought to the May 2019 Transport Committee meeting.

### Leeds City Region Connectivity Strategy

- 2.20 Transport Committee considered the "Planning for Growth: Emerging Leeds City Region Connectivity Strategy" at the meeting on 9 November 2018. This significant report developed the first tranche of Inclusive Growth Corridors (those areas with greatest economic need/opportunity), as identified in the HS2 Connectivity Strategy. The report also summarised how transforming connectivity in the communities of greatest economic need will help raise productivity, living standards and improve air quality, thereby helping to deliver Inclusive Growth.
- 2.21 The November report also opened a conversation around the potential role of future advanced mass transit technologies to meet the future needs of the region.
- 2.22 Given the significance of this work, since November 2018, similar but tailored reports have also been considered by:
- Leeds City Council Executive Board (November 2018).
  - West Yorkshire Combined Authority (December 2018).
  - Bradford Executive (December 2018).
  - Leeds City Region LEP Board (January 2019).
  - Kirklees Cabinet (February 2019).
  - Each of the five District Sub-committees (during February 2019).
- 2.23 The November report set out that the conclusions of all the Inclusive Growth corridor plans will help shape the future connectivity pipeline in the overarching Connectivity Strategy. The corridors plans will also help to shape the Inclusive Growth agenda and feed into the Local Inclusive Industrial Strategy. To support this, the Inclusive Growth and Public Policy Panel is planning to work with partners to develop other necessary interventions along these corridors, to provide a holistic approach to inclusive growth. Areas for intervention include digital inclusion, skills, and local involvement and engagement in decision-making.

## Next Steps

- 2.24 As part of the on-going engagement, a 'YourVoice' site on the Combined Authority website is being set up around the work during March 2019 and will run until June 2019. The engagement is an opportunity to raise the profile of the Connectivity Strategy, including the opportunity for Mass Transit and to ask for opinions and feedback on the work to date. The principles of the engagement are set out in Appendix 1.
- 2.25 The LEP Board meeting in January highlighted the opportunity for business to be champions of the work and agreed strongly about the need for wider business engagement on the connectivity strategy.
- 2.26 Member working groups to consider the details of both the Connectivity Strategy and TCF work have been arranged and development of the further corridors has also commenced. Further updates will be brought to Transport Committee, including on the development of the other priority corridors.

### **3. Financial Implications**

- 3.1 The DfT has made a contribution of £50,000 to the development of the stage 2 submission. This will support the development of the various bids as part for stage 2.
- 3.2 No budget allocations have been set by Government for the money available to the 12 successful Stage 2 regions. Allocations for the 12 successful authorities including Leeds City Region will be developed through the Stage 2 co-production phase with the Department for Transport.
- 3.3 Devolved City Regions (such as Manchester, Liverpool and Tees Valley) are not required to 'bid' for any of this funding and instead have been allocated/devolved funding on a per capita basis.

### **4. Legal Implications**

- 4.1 There are no legal implications directly arising from this report.

### **5. Staffing Implications**

- 5.1 There are no staffing implications directly arising from this report.

### **6. External Consultees**

- 6.1 Both the Transforming Cities Fund and Connectivity Strategy are being developed in partnership with Districts.

### **7. Recommendations**

- 7.1 That the Committee notes the updates on the Transforming Cities Fund and Connectivity Strategy.

## **8. Background Documents**

West Yorkshire Transport Committee Report: 9 November 2018: “Planning for Growth: The Leeds City Region Connectivity Strategy”

<https://westyorkshire.moderngov.co.uk/ieListDocuments.aspx?MIId=730>

## **9. Appendices**

Appendix 1 – Overview of Engagement Strategy.