
Report to: West Yorkshire Combined Authority

Date: 29 July 2021

Subject: Intra City Transport Settlements

Director: Liz Hunter, Interim Director Policy and Development

Author: Steve Heckley, Policy Manager

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No

1. Purpose of this report

- 1.1 To advise the Combined Authority of the Government's approach to Intra City Transport Settlements (ICTS), and to seek delegation of the final ICTS funding submission for the period 2022-2027 to the Managing Director in consultation with the Mayor and Chair of Transport Committee.
- 1.2 To advise the Combined Authority of the government's Active Travel Fund, and to seek delegation of the final bid for capital funding for 2021/22 to the Chair of the Transport Committee Active Travel Working Group.

2. Information

Intra City Transport Fund (ICTF) settlements

- 2.1 In the 2020 Spending Review, the Chancellor confirmed £4.2 billion of capital funding (starting in 2022-23) for Intra-City Transport Fund (ICTF) settlements for eight city regions around the country. These settlements are designed to provide those regions with long-term, stable transport investment. West Yorkshire, as a Mayoral Combined Authority (MCA), is one of eight eligible regions. The first 5-year settlement period would cover 2022/23 to 2026/27. It is anticipated that there will be subsequent 5-year settlements.

- 2.2 The guidance was received on the 20 July 2021 and the Combined Authority are currently working through the details. The Intra-City Transport Fund has been renamed in the guidance to City Region Sustainable Transport Settlements (CRSTS).
- 2.3 The Government will be working to a timetable to agree CRSTF settlements linked to the forthcoming Autumn Spending review which will require submission of proposals by Combined Authorities by the end of August or early September 2021.
- 2.4 In April 2021, HM Treasury (HMT) wrote to the Combined Authority to set out its high-level parameters for Intra City Transport Fund, now City Region Sustainable Transport Settlements, to enable initial preparations and engagement with the HMT and DfT officials ahead of the official guidance being released. HMT identified CRSTS settlements as designed to deliver investment in integrated cross-modal transport plans across a city region, with funding devolved to Mayors over the 5-year period to deliver on their transport plans. The approach is also intended to simplify the funding landscape by consolidating some (but not all) existing funding streams.
- 2.5 HMT identify the government's objectives related to this fund as:
- **Growth and productivity** - Driving growth and productivity through investment in cities will be critical through the economic recovery;
 - **Levelling up** - The government is committed to levelling up all regions of the UK, and looking to see MCAs work closely with local stakeholders to ensure that transport plans reflect local priorities and deliver for local communities;
 - **Decarbonisation** - Driving decarbonisation through the transport system is a key government objective, requiring that any local transport strategy includes emissions targets and has credible strategies to achieve them;
 - **Local contribution** - MCAs are expected to be a driving force behind local transport plans that include a long-term agenda on fiscal sustainability such as measures to develop public transport fare box and other commercial revenue.
- 2.6 There is an implied element of competition for the funds, with individual MCA's share of the overall £4.2bn funding to be determined through submissions that are based on the development of local transport plans, and include a prioritised, disaggregated, profiled and costed list of projects aligned with its objectives outlined in para 2.5 above.
- 2.7 The West Yorkshire share of CRSTS could potentially total hundreds of millions over the first 5-year period from 2022 to 2027, exceeding the £317 million secured through the Transforming Cities Fund for the 3-year period 2020/21 to 2022/23, which is currently being delivered by the Combined Authority and the partner councils.
- 2.8 The Combined Authority has been making the case to Government for access to multi-year transport settlements that provide certainty, match local ambition

and allow for greater devolved decision making, to replace the practice of competitive bidding to a range of different government funding streams. The CRSTS is therefore broadly welcomed, and as part of the Combined Authority's Investment Strategy and can help accelerate the delivery of our transport investment priorities and support the Mayoral pledges on climate emergency, inclusivity and green jobs and recovery from Covid-19 influenced recession. The understanding had been that this was new funding to deliver those plans.

CRSTS Guidance and timetable

- 2.9 The publication of official DfT guidance setting out indicative funding envelopes and process has been delayed from the end of May 2021 to 20th July 2021, but the timetable is still linked to the Autumn 2021 Spending Review. The date for the Spending Review is also to be confirmed. The link to the Spending Review presents a challenging timeframe.
- 2.10 The Combined Authority is discussing with the Leaders of the five West Yorkshire partner councils the possible shape of a programme for the first 5-year settlement including confirming local spatial priorities for transport investment in this period. The development of the proposal will continue with close partnership working between the Combined Authority and the partner councils. The detail of the proposal will also be shaped by feedback received from the DfT through the process.

West Yorkshire CRSTS proposal 2022/23 to 2026/27

- 2.11 The Combined Authority and its partners are well placed for CRSTS with the West Yorkshire Connectivity Infrastructure Plan, Mass Transit Vision and other related documents, published by the Combined Authority in January 2021, following two years of preparation involving all of the partner councils and key industry stakeholders.
- 2.12 The Connectivity Infrastructure Plan provides the evidence and a starting point, drawing on District Local Plans and a comprehensive set of corridor studies undertaken across West Yorkshire, in addition to parallel work to develop a Place Narrative as part of the Strategic Economic Framework. This evidence gathering has identified spatial priorities for housing and jobs growth, and areas experiencing deprivation that are a focus for inclusive growth, and where transport investment can have the biggest impact.
- 2.13 The Connectivity Plan provides a vision and picture of a modern, highly integrated, de-carbonised transport network linking walking, cycling, bus and rail improvements with a new Mass Transit network alongside other investment (in e.g. information and ticketing, digital and other innovative technologies and electric vehicle charging infrastructure) to better connect these places. This vision together with an identified long list of investment options is proposed to guide transport investment to 2040.

- 2.14 Transformational delivery of transport improvements is already underway through the West Yorkshire Transport Fund, Transforming Cities Fund and Leeds Public Transport Improvement programmes. The CRSTS can build on this investment and accelerate the delivery of Connectivity Infrastructure Plan. The next steps include progressing the Connectivity Plan's long list of options to a sequenced programme, commencing with the first 5-year CRSTS settlement from 2022/23 to 2026/27.
- 2.15 It is proposed that the CRSTS proposals for 2022/23 to 2026/27 be focused on the core themes from the Connectivity Plan:
- **Integrating all modes and networks** - with accelerated and substantial improvements to public transport stations, hubs and other interchanges including bus and rail Park and Ride, plus investment in future mobility and ticketing and information innovations, developing and expanding on existing programmes;
 - **Getting West Yorkshire Mass Transit ready** – with significant progress made on the planning and development of the full Mass Transit network, and accelerated progress on a first phase of mass transit in this first 5-year period;
 - **Supporting Bus reform and Rail recovery** - with accelerated and substantial investment in bus priority and facilities in the first 1-5 years to improve the performance and attractiveness of the bus, alongside other investment assisting bus and rail recovery from Covid-19 impacts;
 - **Building back active** - with accelerated and substantial walking and cycling interventions in the first 1-5 years to improve local journeys and access to the public transport network, and to improve the quality and environment of local places.
 - **Delivering Behaviour Change** – a substantial programme of behaviour change underpinning all themes and modes, building on the exemplar work of CityConnect and Transforming Cities Fund delivery, and helping to accelerate the transition to electric vehicles with communications, behaviour change and policy interventions supporting a significant uplift in EV charging infrastructure
- 2.16 Delivering a new Mass Transit system is a central theme of the Connectivity Plan, but it will take time to develop and deliver, and other wider investment in transport is needed in the short term to create the right conditions for better connecting communities with jobs and training opportunities and make progress towards the Combined Authority's target to achieve net zero carbon by 2038. The detail of the CRSTS proposals is to be worked up and agreed with the partners, but as the process has an element of competitive bidding, the details of the proposal are considered confidential until its submission.

Capacity for programme development and delivery

- 2.17 The 2020 Budget also confirmed revenue allocations for 2021-22 to enable MCAs to begin preparations for the settlements. The HMT letter of April 2021 confirmed that West Yorkshire Combined Authority would receive £7.4m resource funding in 2021-22 to support building longer-term local transport

planning and delivery capacity as well as supporting bus reform plans. It must only be used for transport purposes.

- 2.18 The Combined Authority and partners have learnt from delivering the West Yorkshire Transport Fund and Transforming Cities fund programmes and strengthened resources and refined processes to ensure effective, efficient delivery, but those programmes have identified differences in capacity across the partner authorities and in respect of particular modes and disciplines. Delivering and delivering the programme will require an uplift in capacity and capability above that which currently exists.
- 2.19 The Combined Authority meeting of 26 June 2021 agreed indicative funding of £7.4 million and full approval of £3 million of initial development costs to pump-prime capacity building and commence the development of component parts. A scoping exercise has commenced with the partners to identify the priority capacity requirements including in-house staff and consultancy support and a Strategic Outline Case will set out the detail of requirements of the remainder of £4.4 million capacity funding.

DfT Active Travel Fund: Local Authority Capital Funding for 2021/22

- 2.20 CRSTS will begin a move towards the consolidation of government transport funding streams, however the government has identified some funding streams sitting outside of CRSTS for the time being, which includes some funding streams for active travel which will be subject to separate processes and timetables. This includes the active travel funding that was identified as part of the government's £2 billion commitment set out in "Gear Change" (2020) to deliver a step change in the provision of high quality schemes that deliver better streets for everyone.
- 2.21 In June 2021 the DfT launched a competition for capital funding to provide for active travel infrastructure delivery through to March 2023. Although no indicative allocations have been made, the available funding for West Yorkshire is expected to be broadly similar to the £10 million awarded by the DfT to the Combined Authority as part of the Active Travel Fund (Tranche 2) for 2021/2022.
- 2.22 In addition to capital funding for infrastructure improvements, the Active Travel Fund also invites authorities to submit expressions of interest (EoI) for a mix of capital and revenue funding for the development of national pilots for social prescribing and "mini-Hollands" schemes. The social prescribing pilots would be expected to be supported by local Clinical Commissioning Groups and Primary Care Networks. Mini-Holland schemes involve intensive, transformational spending on local roads to make them, over time, as cycle and pedestrian-friendly as the Dutch equivalents from which the principles are derived. The DfT are looking to develop a shortlist of around 12 non-London local authority areas, to benefit from this investment.
- 2.23 Both the Active Travel funding application and EoI are required to be submitted to the DfT by 9 August 2021. Infrastructure schemes must be delivered by

March 2023, whilst the mini-Holland and social prescribing pilots will be developed over the coming year should the EoI be successful, with the DfT providing development funding to cover this cost ahead of delivery over a longer timescale.

- 2.24 The Combined Authority and partner councils have learnt lessons from delivering both the initial (Emergency) Active Travel Fund and the Active Travel Fund (Tranche 2) programmes and have incorporated these lessons into the sifting process for selecting schemes for inclusion in this latest round of competitive bidding and EoI. The selection of schemes is ongoing with the Combined Authority and partner councils working to ensure that local priorities and West Yorkshire strategic objectives are met in addition to criteria laid out by the DfT. Specific locations and details of schemes proposed for the bid/EoI are to be agreed and were not available at the time of producing this report, it is however envisaged that some common schemes such as 'school streets' and the provision of improved cycle parking will be included for all five districts.

3. Tackling the Climate Emergency Implications

- 3.1 A key priority of the CRSTS and Active Travel submissions will be to support carbon reduction and meet the Combined Authorities climate change ambitions through delivery of public transport and sustainable travel projects.
- 3.2 The West Yorkshire Connectivity Infrastructure Plan is a decarbonisation plan aligned to the delivery of the Combined Authority's target to achieve net zero carbon by 2038. Transport is our highest emitting sector, contributing 44% of total regional CO₂ emissions. The Connectivity Plan focuses on a sustainable future, putting green public transport and walking and cycling at the top of our transport investment priorities. Accelerating the delivery of the Connectivity Plan through CRSTS and other funding can help set the region on the right pathway for decarbonising transport and deliver on the Mayoral pledge to tackle the climate emergency and protect our environment.
- 3.3 The Combined Authority's CRSTS submission will be expected to be consistent with the contents of the government's Transport Decarbonisation Plan published on 14 July 2021.

4. Inclusive Growth Implications

- 4.1 A key priority of the CRSTS and Active Travel submissions will be to support Inclusive Growth through targeting investment in those communities in greatest economic need.
- 4.2 The West Yorkshire Connectivity Infrastructure Plan seeks to better connect everyone in order to address the productivity gap. The proposition is that all of West Yorkshire's residents can contribute to, and should benefit from, economic growth. The potential uplift in productivity from an inclusive economy is crucial to securing a prosperous future. The Connectivity Plan's evidence shows that not all of our communities benefit from good employment and training opportunities, with transport often a key barrier. Tackling

deprivation requires good jobs, accessible to all. Accelerating the delivery of the Connectivity Plan through CRSTS and other funding with targeted interventions can help address transport barriers to inclusive growth.

5. Equality and Diversity Implications

- 5.1 The CRSTS and Active Travel submissions will be consistent with the principles of the West Yorkshire Connectivity Infrastructure Plan to promote investment that is designed for, and with, people. The focus is on creating transport facilities and public spaces that are safe, easy to use and enjoyable, requiring that infrastructure is inclusive and accessible for all ages and abilities, and reflects West Yorkshire's diverse communities. The Connectivity Plan was informed by an Equality Impact Assessment, and work is continuing on understanding equality and diversity implications through on-going engagement on the Connectivity Plan through focus groups sessions with seldom heard groups.

6. Financial Implications

- 6.1 The West Yorkshire share of the CRSTS funding allocation of £4.2 billion is subject to competitive bidding and is to be confirmed but could potentially total hundreds of millions over the first 5-year period from 2022/23 to 2026/27. The scale of the West Yorkshire CRSTS proposal will be developed in partnership with the Leaders of the five West Yorkshire partner councils.
- 6.2 The West Yorkshire share of the Active Travel Fund is also subject to competitive bidding and is to be confirmed but could potentially total circa. £10 million for investment in capital infrastructure the financial year 2022 to 2023 with possible additional funding should the Expressions of Interest for social prescribing and "mini-Holland" schemes be approved by the DfT to progress. The scale of the West Yorkshire Active Travel proposals are being developed in partnership with the five West Yorkshire partner councils.

7. Legal Implications

- 7.1 The Combined Authority is reviewing the CRSTS guidance and the legal requirements. It is however assumed that there is an element of competitive bidding and that the details of the submission should be considered confidential until the submission is made to the DfT and published on the Combined Authority's website.

8. Staffing Implications

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

9. External Consultees

- 9.1 Initial discussions have commenced with the Leaders of the five West Yorkshire partner councils on the possible scale, shape and contents for the CRSTS proposal, and to confirm local spatial priorities for transport investment

in the first 5-year period. This steer has been reflected in informal engagement that has also commenced with the Department for Transport on the possible CRSTS proposal. Engagement with the public has been undertaken on the Connectivity Infrastructure Plan that will form the basis of the CRSTS.

- 9.3 Discussions have taken place with officers and Members of the five West Yorkshire partner councils on identifying and prioritising proposals for the Active Travel Fund bid and Expressions of Interest. The Transport Committee's Active Travel Members Working Group meeting of Friday 23 July 2021 will review progress and provide steer on finalising the bid and EOI proposals.

10. Recommendations

- 10.1 That the Combined Authority notes the government's proposals for the City Region Sustainable Transport Settlement and agrees to submit a CRSTS proposal for the 5-year period 2022/23 to 2026/27 to the Department for Transport, which is aligned to accelerating the delivery of the West Yorkshire Connectivity Infrastructure Plan
- 10.2 That the Combined Authority agrees to delegate the decision on the detail of the final City Region Sustainable Transport Settlement submission to the Managing Director in consultation with the Mayor and Chair of Transport Committee.
- 10.3 That the Combined Authority notes the government's proposals for Active Travel Fund Local Authority Capital Funding for 2021/22 and agrees to submit a bid proposal and Expressions of Interests to the Department for Transport.
- 10.4 That the Combined Authority agrees to delegate the decision on the detail of the final bid proposal and Expression of Interests to the DfT Active Travel Fund Local Authority Capital Fund for 2021/22 to the Chair of the Transport Committee's Active Travel Members Working Group.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

None.