

Report to: West Yorkshire Combined Authority

Date: 3 February 2022

Subject: **West Yorkshire Mass Transit Resourcing**

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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 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 To seek the CA's approval for the creation and appointment of a Director of the West Yorkshire Mass Transit Programme for the Combined Authority.

2. Information

- 2.1 The CA in collaboration with partner councils published the West Yorkshire mass transit vision in January 2021, which offers a new bold and ambitious public transport option for West Yorkshire. Looking beyond district boundaries this vision considers corridors linking communities, employment and other local and regional assets.
- 2.2 Alongside cycling, walking, bus and rail, mass transit will be essential in helping our communities thrive and the economy to flourish, bringing people and places closer together. By offering a new public transport option and attractive alternative to car travel, we expect mass transit to:
- Help combat climate change and provide climate resilient infrastructure.
 - Connect West Yorkshire's important places.
 - Support levelling up and help rebalance the economy.
 - Improve health and wellbeing.
 - Support economic recovery.

- 2.3 The Mass Transit Vision was published as part of a wider West Yorkshire Connectivity Infrastructure Plan consultation. There were 430,000 social media views of the engagement material. We received 7,800 responses to our surveys, polls, the interactive map and other stakeholder feedback. Overall, the support for our Mass Transit Vision was strong. Around 80% of respondents said they supported the Vision, either fully or in part, and the updated vision following the engagement is anticipated to be considered at the March Combined Authority Meeting.
- 2.4 During 2021, a programme level Strategic Outline Business Case for West Yorkshire Mass Transit has been developed. It is structured to follow the conventional Treasury Green Book 'Five Case' model, with the focus on the strategic dimension, which sets out the need for intervention and why transit is the preferred way to meet that need. The business case establishes the rationale for the Mass Transit project. Depending on the assurance process, the aim is for the Combined Authority to review the case and agree next steps at the March Combined Authority meeting.
- 2.5 This is a large and complex programme and future pipeline to design and deliver benefiting the whole of the region. Lessons learnt from other schemes demonstrate the importance of the early strategic work activities and that decisions undertaken during the front-end planning stage of projects play a vital role in defining the need for a project and determining whether it's a success. Work to date has put the programme onto a good footing. The programme is now at a crucial point as the strategic outline business case mentioned above is assessed and work continues into the next stages of design, with the intention for the next stage in public engagements to start during 2022.

Impact of Covid-19

- 2.6 Covid-19 social distancing requirements, restrictions on people's day-to-day behaviours and on how businesses operate have led to significant changes to how West Yorkshire's transport networks are used and how they function. They have led to reduced demand for travel by public transport and reduced public transport capacity. Government has had to step in and provide financial support to bus, rail and light rail operators. Through working from home many workers and their employers have experienced new remote working practices. Issues around the use of public transport, such as perceptions around ability to socially distance, have made private car use more appealing.
- 2.7 It is too early to say what the medium to long term impacts of the Covid-19 crisis on the volume and patterns of travel will be and what this will mean for the case for investment in transport interventions, whether they be focused on active modes, public transport or road traffic. What is clear, however, is the policy imperatives – to grow the West Yorkshire economy, to have a more equitable distribution of the benefits that growth will bring, to have lasting improvements to air quality and to tackle the climate emergency – will remain and that changes to the way transport is provided will be an integral part of the future policy mix.

- 2.8 As the work continues on bus reform and mass transit in particular, sensitivity tests on the economic, commercial and financial cases will be needed to understand how changing travel patterns will impact the business case.

Funding Mass Transit

- 2.9 The CA has an indicative allocation of £830 million from the City Region Sustainable Transport Settlement (CRSTS) for the five-year period 2022/23 to 2026/27, following a submission in September 2021. Within this submission the CA set out the case for mass transit and included development costs required in the next five years for the first phases of the network. A further business case is being submitted to Government which includes further details on mass transit and seeks £200m for development and initial delivery. This business case is over-programmed and so the exact amount to be spent on mass transit over the next five years will depend on the pace of the project and the management of the rest of the Settlement.
- 2.10 In November 2021 the Government published the Integrated Rail Plan. This confirms the 'in principle' funding for West Yorkshire Mass Transit. *"We commit today to building a Mass Transit System for Leeds and West Yorkshire, and to supporting West Yorkshire Combined Authority over the long term to ensure that this time, it gets done. That work begins now, with £200m of immediate funding to plan the project and start building it, with the first services operational in the second half of this decade."* (Page 7). The IRP also references that *"We intend for some parts to be in service by the second half of this decade. The cost for the initial network, over ten years, is expected to exceed £2bn."* (Page 88). It was subsequently confirmed by officials that the £200m referenced in the IRP is the funding we have sought via CRSTS.
- 2.11 The IRP also identifies that there may be an additional £100m for Rail Studies, including mass transit. It is not yet clear on the split of funding.

Governance for Mass Transit

- 2.12 It is proposed that the Transport Committee and CA will continue to be the formal decision-making bodies. Learning lessons from other places, it is proposed that a Members Working Group to help oversee the details is established. The officer Programme Board, which is currently comprised on CA and District officers will be reviewed and updated, including integration with industry partners as needed.

Resourcing Mass Transit

- 2.13 Work continues on mass transit with a Strategic Outline Business Case currently being assured through the assurance framework process. Thereafter, Government will carry out the assurance process as set out in their letter to the Mayor in November on the City Region Sustainable Transport Settlement:

'Whilst most schemes supported by this funding will be appropriate for you to develop and appraise locally, to maintain the appropriate oversight which taxpayers would expect, investment for the following types of schemes will require a separate business case and approval from my Department:

- any scheme which requires funding after 26/27*
- any single scheme which costs £50m or more*
- any scheme where my department has concerns about value for money, delivery or integration with national networks.'*

- 2.14 As part of their assurance, Government typically ask other agencies to peer review the programme. Local Partnerships, joint venture between the Local Government Association, HM Treasury and the Welsh Government, is one such organisation. As such, the CA invited them to consider the current programme and provide recommendations.
- 2.15 The Local Partnerships Team found that *"excellent preparatory work has been done researching the technologies and Mass Transit systems being used both within the UK and beyond. The lessons learnt data and wider information from this work has been effectively used to establish a strong foundation for the programme and obtain support for the Mass Transit programme across the West Yorkshire area. Work is progressing well developing the SOBC and the WYCA programme team is confident it will be submitted to DfT on time prior to the end of 2022. Currently there is only a small in-house programme team and we understand plans are well advanced to urgently supplement this staff resource."*
- 2.16 Each programme reviewed by Local Partnerships is given a Delivery Confidence Assessment (DCA), and for Mass Transit an "Amber" score was given on the basis that this *"reflects the significant issues and risks such as funding, programme team resources, communication and ongoing support. If the current SOBC is successful and adequate funding is approved to progress the programme, we would expect this to improve to Amber Green."*
- 2.17 A summary of their conclusions is at Appendix 1 and an action plan is being developed. One of their essential recommendations was to *'Ensure that adequate resources are in place as the Mass Transit programme develops to create a strong inhouse client team able to effectively manage the programme and act as an "intelligent client" supported by additional capacity and specialist skills from private sector consultant partners.'*
- 2.18 There are currently three people working full time on mass transit within the Combined Authority. Based on the scale of our current funding, attempts have been made to strengthen the inhouse team with specialisms in engineering, environment and place and project management and to create a new Head of Service. It has been challenging to attract potential candidates with the relevant experience in these posts. The confirmation of funding from Government will help to spark more interest.
- 2.19 In the meantime, consultants have filled some of the gaps and are giving advice on the appropriate structures that are needed now that Government

has committed funding and as the project moves beyond the Strategic Outline Business Case. This advice, lessons learnt from elsewhere and the success to date on recruitment, all points to needing a dedicated senior resource who can lead a significantly enhanced project team that includes a greater inhouse capacity alongside the specialist consultancy support all these types of projects have.

- 2.20 The proposal is to appoint a Director of the Mass Transit Programme to lead the programme development of the West Yorkshire Mass Transit scheme and to support an expanded team. Key outputs for this Director would include the next phases of the business case work, public engagement, the production of the commercial and delivery strategy and undertaking the necessary planning stages to progress the project. This is likely to take three to four years for the first phase of the programme at which point the project enters construction phase and, funding dependent, further phases of the network can be developed. Key workstreams would include the following and the team would need to be developed to bring in these expertise:
- Commercial programme;
 - Route and engineering programme;
 - Communications;
 - Engagement and partnership programme;
 - Environmental programmes;
 - Business case / transition programme;
 - Leadership and political liaison.
- 2.21 Ideally the Director would have experience of working on mass transit systems, particularly taking projects from concept through development and planning phases. Having someone who knows the issues when projects are in delivery can also help ensure we plan for these in the development stages. As a Director within the CA, the person would also have the same corporate responsibilities as other Directors to take an active part in the decision making of the organisation.
- 2.22 This is a competitive market and a fairly niche set of skills given the number of mass transit systems in existence. However, creating this team at pace is a priority if the project is to continue with momentum and to reach the milestones set out to Government that the funding is predicated on. It is therefore proposed that in the interim this post is filled by a private sector consultant or contractor who can continue the work and support the building of the team whilst a full recruitment to the post can take place. Over the life of the programme and its pipeline of projects, the team will be comprised of a mix of an in-house team and consultants and contractors to ensure the team has the appropriate expertise.

Other options considered

- 2.23 **Retain the current arrangements** - currently the mass transit work sits with the Policy and Development Directorate. This Directorate currently has three teams; Business, Innovation, Skills and Culture Policy; Place and Environment Policy; and Transport Policy. Since the last update to the CA, the first two

teams have been formally created and new appointments made to the Heads of Service.

- 2.24 The work of Policy and Development Directorate has also grown in scale and complexity. There is now a greater focus on ensuring the CA and partners have projects designed and developed and ready to either bid for funding or to make use of existing funding streams. The CA also published its intention to consider franchising through an assessment last year and the Government's Integrated Rail Plan announcements has placed greater need on the CA being able to work with them on the next steps with that – both delivering on schemes on such as TRU and on the review of connectivity and capacity around Leeds and to Bradford.
- 2.25 Therefore the scale, complexity and pace at which the mass transit project needs to progress means a separate dedicated Project team led by a Director would give it the best chance of success. A previous proposal to recruit a Head of Service for transport development and mass transit, was unsuccessful. If the recommended option of a new Mass Transit Project Director is agreed, a review of resourcing requirements within transport development and policy would take place.
- 2.26 **Appoint a consultant/contractor** - this is an option in the short term whilst a permanent person is appointed. The rationale for this not being a permanent solution is that the project is a long term endeavour and having consistency as far as possible between now and at least beyond the public inquiry would be beneficial and would support ownership of the programme. Obviously this can't be guaranteed with a permanent employee either, but it is less of a risk than if a consultant or contractor is appointed.
- 2.27 **Recruit a Head of Service instead of a Director** - a recruitment process has been run to find a person to fill a Head of Service covering transport development and mass transit. There was a particular focus on mass transit in the advert and in the interview process. This process failed to recruit anyone.
- 2.28 Based on the above conclusions it is proposed that a Director of the Mass Transit Programme is created to lead an enhanced team to continue the work of the programme. It is proposed that the City Region Sustainable Transport Settlement would fund the costs of the Director and team. Whilst this person is recruited, it is proposed that an interim contractor or consultant fills the role.

3. Tackling the Climate Emergency Implications

- 3.1 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. 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 transit will allow for additional capacity on congested corridors, which affords the opportunity to improve vehicle flows which in turn will improve air quality.

4. Inclusive Growth Implications

- 4.1 A central common theme of the Connectivity Plan, and Mass Transit Vision as part of that, is that investment in transport accessibility will make a positive contribution to driving forward inclusive growth. Our approach to transport seeks to provide practical alternatives 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. Our plans particularly focus on how to support the hardest to reach communities to realise economic opportunities.

5. Equality and Diversity Implications

- 5.1 Through the Combined Authority's role in managing the delivery of the Transport Strategy, the Connectivity Plan and bidding for funding, focus will be placed on ensuring that equality and diversity needs are addressed, with a particular emphasis on improving accessibility for all.
- 5.2 The Mass Transit programme has set out a number of design principles that will support the CA's EDI objectives including the following. These will be part of the ongoing design work and include:
- Designed for people of all ages and abilities – easily accessible low floor vehicles
 - Reflect the region's diverse communities and cultures
 - Multiple doors for quick and easy boarding
 - Inclusive safe spaces around stops
 - Affordable, easy to use, enjoyable and stimulating
- 5.3 Building the team for mass transit also gives us the opportunity to support diversity. This will be a challenge as the sector is not traditionally reflective of the population. We will also use our procurement strategy as an opportunity to ensure our suppliers also champion diversity and inclusion.

6. Financial Implications

- 6.1 The costs of the new post will be met by the City Region Sustainable Transport Settlement.

7. Legal Implications

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

8. Staffing Implications

- 8.1 It is proposed to create a new Director of the Mass Transit Programme. A role profile is in development and a draft is attached at Appendix 3 with the expectation that this will be within the Director grades.
- 8.2 If approval is given to create the post the most appropriate route of recruiting to the post would be considered. This may involve seeking specialist support in order to identify and attract suitably qualified and experienced candidates to apply, particularly given the specialist skill required. This may involve the procurement of an executive or technical search company. They may also support with the final role profile.

9. External Consultees

- 9.1 No external consultations have been undertaken.

10. Recommendations

- 10.1 To create a new role of Director of the West Yorkshire Mass Transit Programme within the Combined Authority and recruit to the post.
- 10.2 To delegate to the Managing Director the recruitment process, including convening an interview panel (with member representation) and, in consultation with the Mayor and the Chair of the Transport Committee, to make an appointment in accordance with the recommendation of the interview panel.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – Summary of Local Partnerships Review

Appendix 2 – Senior Officer Structure with addition of a Director of the Mass Transit Programme

Appendix 3 – Draft role profile