

Project Overview

Project Title	City Region Sustainable Transport Settlement Capacity Fund
Date of Business Justification Submission	9 February 2022
Scheme Location/ Address	West Yorkshire
Applicant Organisation	West Yorkshire Combined Authority
Type of Organisation	Regional Government
Other Delivery Partners and Roles	Bradford Council Calderdale Council Kirklees Council Leeds City Council Wakefield Council

Main Funding Programme	City Region Sustainable Transport Settlement (CRSTS) Capacity Funding
Sub Funding Programme (if applicable)	Not applicable
Project cost stated at Activity 1	£7,400,000
Development cost allocated at Activity 1	£3,000,000
Project cost range estimated now	£7,400,000
Funding Applied from the Combined Authority now	£2,756,411
Other public sector funding amounts and sources	None
Private sector funding amounts and sources	None
Percentage split of cost for all funding sources	N/A

Business Case Summary

Scheme Description

The government's City Region Sustainable Transport Settlement (CRSTS) programme has been designed to deliver investment in integrated cross-modal sustainable transport plans, for example bus, rail, cycling and walking, across a City Region, with funding devolved to Mayors to deliver over a five-year period.

Department for Transport CRSTS capital funding settlements are complemented by revenue funding allocations to Mayoral Combined Authorities (MCA), which is known as CRSTS Capacity Funding.

Government's CRSTS guidance sets out a brief description of the purpose of capacity funding, as each eligible MCA with appropriate governance arrangements, has been allocated capacity funding to support this programme. Given the long-term and integrated nature of settlements, part of this revenue funding should be used to support building longer-term local transport planning and delivery capacity, which could include developing local institutional capability, potentially including formal project and programme leadership training. This funding should be used only for transport purposes, not wider priorities.

To date £3,000,000 (tranche 1) has been approved and a further approval of £2,756,411 (tranche 2) is requested. The Combined Authority's proposed use of this funding and core requirements are set out below

- Supporting development of the pipeline of future schemes.
- Developing transport policy and strategy that will help to identify schemes for the future pipeline.
- Supporting development of the CRSTS 2022-27 programme.
- Increasing capacity and skills within the Combined Authority and partner councils

Strategic Case

The West Yorkshire CRSTS Capacity Fund will support a range of Combined Authority policies and strategies contained within the Strategic Economic Framework (SEF), specifically:

- Delivering 21st Century Transport - The scheme supports the CRSTS programme which acts as a delivery mechanism for, and is fully aligned with, the West Yorkshire Transport Strategy 2040 and draft Connectivity Infrastructure Plan, which are the key strategies and plans underpinning this priority
- Boosting Productivity - The key national CRSTS objective is driving growth and productivity through infrastructure investment. The CRSTS Capacity Funding will support delivery of the CRSTS Programme which will help achieve the national objective and the West Yorkshire SEF priority.
- Enabling Inclusive Growth.
- Tackling the Climate Emergency

The capacity funding will support Investment Priority 5 (IP5) – Future Transport of the West Yorkshire Investment Strategy (WYIS) and development of wider transport policy that will support current and future CRSTS programmes. It will also support the CRSTS programme to deliver on several mayoral priorities including:

- Prioritise skills and training, to ensure everyone in West Yorkshire has the skills they need to secure work
- Put keeping women and girls safe at the heart of my policing plan,
- Bring buses back under public control, introduce simpler fares, contactless ticketing, and greener buses
- Tackle the climate emergency and protect our environment.

The capacity funding seeks to provide the West Yorkshire partners with the necessary capacity and skills to support and deliver City Region Sustainable Transport Settlement (CRSTS) programmes of transport improvements.

The Combined Authority is gearing up for sustained, substantial government investment in local transport infrastructure in West Yorkshire, to be delivered through a five-year CRSTS capital grant covering the period 2022/23 to 2026/27. Subsequent five-year settlements are expected to follow.

Economic Case

Value for money assessments for funding and activities of this nature are not considered appropriate, with no known assessment methodology or comparators to base an assessment on.

However, investment of this kind is still regarded as providing good value for money. Relatively small amounts of funding used to support the development of strong and compelling funding bid submissions in recent years has effectively leveraged in £ billions of central government funding in transport and non-transport sectors for West Yorkshire. For example, external consultancy support for CRSTS business case development to provide Economic Case support will be instrumental in securing a final allocation of £830,000,000 of central government funding.

Commercial Case

Activities will be funded via a combination of existing staff resource, external recruitment, and procurement of external suppliers where necessary.

Procurement of any external suppliers for consultancy or training will be undertaken in line with the Combined Authority's contract standing orders and procurement and commercial strategies. Individual approaches to procurement will be agreed with the Combined Authority's commercial team and forward planning of activities is underway to help the team's resource planning.

Depending on the nature and value of external support required, existing frameworks may be used including the professional services framework in place to support the CRSTS Programme. If other support is needed that is judged to be outside of the scope or expertise of the current framework providers, individual procurements will be undertaken.

Financial Case

There is no detailed guidance from government on how the funding is to be used and as part of a devolved long term funding settlement, a degree of local discretion can be expected in line with the commitment in the West Yorkshire Devolution Deal. Furthermore, no monitoring or reporting requirements have been defined, and there are no conditions for funding to be spent in year. It is expected that funding can be used through the CRSTS period to deliver support when required, to meet local needs.

Department for Transport CRSTS capital funding settlements are complemented by revenue funding allocations to Mayoral Combined Authorities, known as CRSTS Capacity Funding. An allocation of £7,400,000 revenue funding was made to West Yorkshire and grant funding was confirmed and paid to the Combined Authority in May 2021.

A Strategic Assessment was submitted in June 2021 and approval granted by the Combined Authority on 21 June 2021 to progress to Strategic Outline Case (SOC), with financial approval for £3,000,000 of initial funding to enable development of the SOC and the CRSTS Prospectus and subsequent programme business case submissions to government (tranche 1).

Tranche 2 is for £ 2,771,988 and tranche 3 activities will be developed, and approval sought for the remaining £1,560,000 providing detail on remaining proposals.

Management Case

The CRSTS Internal Oversight Board will oversee the delivery of the CRSTS Capacity Fund programme.

The programme's progress will be reported to the Policy Sponsor and updates provided to the CRSTS Internal Oversight Board in line with the overall programme management approach being developed for the capital programme.