

Report to: Transport Committee

Date: 9 November 2018

Subject: **Transforming Cities Fund**

Director: Alan Reiss, Director of Policy, Strategy and Communications

Author(s): Tom Gifford/Alice Rowland

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:	

1. Purpose of this report

1.1 Following the stage 1 submission being successfully approved by Government, the purpose of this report is to:

- Provide an update to Transport Committee on Transforming Cities Fund.
- Seek endorsement to the continuation of the Transforming Cities Fund member working group sessions to oversee the development of the Transforming Cities Fund stage 2 submission.

2 Information

2.1 The Transforming Cities Fund (“TCF”) was announced in the Budget of November 2017 as a £1.7 billion fund to “support intra-city transport, will target projects to drive productivity by improving connectivity, reducing congestion and utilising new mobility services and technology”. The government originally made £840 million capital funding available for competitive bidding by non-mayoral combined authorities over the four year period to 2021-22; as of the Budget announcement on 29th October 2018, the total available is £1.28 billion and the period has been extended to 2022-23.

2.2 Key points include:

- £1.28 billion of funding is available to non-mayoral authorities in England. The Department for Transport (“DfT”) have set out that the competition to access this money will take a two stage application process.
- Ten authorities (“*Derby & Nottingham, Leicester City, the North East, Norwich, Plymouth, Portsmouth, Southampton, Sheffield, Stoke-on-Trent and West Yorkshire*”) have been successful in reaching stage 2, and the 29 October budget announced that a further two areas would be allowed to bid. The DfT received circa 20-25 stage 1 bids.
- In both TCF stages 1 and 2, bids are being competitively assessed against each other with funding awarded to the proposals which demonstrate the greatest improvements to productivity and offer the best value for money.

2.3 The DfT Stage 1 guidance outlined that stage 1 submissions are ‘light touch’ – in essence to agree the functional geography and broad scope of the submission. Individual schemes and information costs were not required for the stage 1 submission.

2.4 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, 1:1 and committee meetings with members and officers from across the City Region. The LCR Stage 1 submission was required to be published online and is available through the weblink below¹. The LCR stage 1 submission focused around three themes:

2.4.1 Strand 1: Transforming connectivity on four corridors in greatest need

2.4.2 Strand 2: Creating eight Transformed 21st Century Gateways (plus a number of smaller locations)

2.4.3 Strand 3: Transforming mobility for future generations (which to a degree also cuts across Strands 1 & 2)

2.5 The Government decision on Stage 1 bids was made on 27 September 2018 (a decision was originally expected in July 2018).

Development of the stage 2 submission

2.6 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.

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

2.7 At this stage, beyond the short approval letter and official stage 1 press release², no guidance has been released for stage 2 by the DfT. On the basis of the letter our working assumptions are that:

- Stage 2a bids (small schemes up to £6m) can be submitted by Christmas
- Stage 2b bids (big schemes) can be submitted as part of a strategic outline business case by summer next year

Member TCF Working Group

2.8 As with stage 1, the contents of the stage 2 bid will be developed in collaboration with Leeds City Region stakeholders, officers and members.

2.9 The 5 April 2018 Combined Authority meeting agreed that a 'Task and Finish' working group for portfolio / lead members be set up to shape the stage 1 submission. This was invaluable in shaping the stage 1 submission and it is proposed to set up regular meetings of the group to shape the stage 2 submission.

2.10 In addition, a series of working groups took place with officers from partner authorities from across the Leeds City Region to develop the bid. Dialogue is also continuing with the Leeds City Region Local Enterprise Partnership as well as with private sector partners including bus operators and universities.

2.11 It is proposed to continue this approach for the stage 2 submission and to widen the invite to representation on the member working group to the North Yorkshire authorities which are 'in scope' for the Leeds City Region submission.

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 stage 2 strategic outline business case.

3.2 No budget allocations have been set by Government for the money available to the 10 successful Stage 2 applicants. Allocations for the 10 successful authorities including Leeds City Region will be developed through the Stage 2 co-production phase with the Department for Transport.

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.

² <https://www.gov.uk/government/news/pm-announces-ten-cities-shortlisted-for-major-transport-funding-across-england>

6 External Consultees

6.1 No external consultations have been undertaken.

7 Recommendations

7.1 That Transport Committee note the progression of the Leeds City Region Transforming Cities Fund bid to the stage 2 co-development phase.

7.2 That Transport Committee endorse regular member working group sessions be set up to support the development of the Leeds City Region stage 2 Transforming Cities Fund bid.

8 Background Documents

Combined Authority Reports 14 December 2017 and 5 April 2018
Transport Committee Report 15 May 2018

LCR TCF Stage 1 Approval Letter from the Department for Transport.

9 Appendices

None