

WEST YORKSHIRE INTEGRATED TRANSPORT AUTHORITY

ITA EXECUTIVE BOARD

DATE: 30 APRIL 2010

AGENDA ITEM NO: **6**

SUBJECT: MAJOR SCHEME DEVELOPMENT

Report of the Passenger Transport Executive

1. MATTER FOR CONSIDERATION

- 1.1. This report provides information on the current position on Metro promoted Major Schemes and seeks approval for funding to continue the next stages of development work on a number of these schemes.
- 1.2. The recommended approach will minimise the risk of abortive expenditure, as well as maximise the amount of funding ultimately secured for West Yorkshire.

2. INFORMATION

- 2.1. As reported to the ITA in February 2010, Metro and partners have submitted five schemes to the DfT in the 'major scheme' approval process. The current status of these schemes is set out in Table 1.

Table 1: Major Schemes Status

Scheme	Status	Dates
Leeds NGT	Programme Entry Granted	22/03/10
A65 Quality Bus Initiative (Leeds City Council)	Full Approval Granted	09/03/10
Leeds Station Southern Entrance	Programme Entry Granted	22/03/10
Castleford Interchange	Submitted for Conditional Approval	Awaiting DfT response
Leeds Rail Growth Package	Submitted for Programme Entry and Conditional Approval	Awaiting DfT response

- 2.2. Table 1 details the announcements for NGT, A65 Quality Bus Initiative and Leeds Station Southern Entrance made in March 2010, but no decisions were made on Castleford Interchange and Leeds Rail Growth Package. No further announcements will be made until after the General Election. It is likely that any newly formed Government will undertake a Comprehensive Spending Review (CSR) in 2010 and that this would precede any further decisions on Major Schemes. Metro will, however, continue to press for early decisions on the Castleford Interchange and the Leeds Rail Growth Package schemes.
- 2.3. It is therefore necessary to review the status of all Metro's major schemes and examine potential expenditure that will allow schemes to progress whilst minimising the risk of abortive expenditure. A further review is proposed later in the year to take in to account any further decisions by the DfT.
- 2.4. Proposed expenditure on Metro's major schemes over the next six months is set out below. The ITA has previously approved the 2010/11 capital programme which includes an allocation of £1.4m allocation to support Major Scheme development.

New Generation Transport

- 2.5. A separate report has been prepared for the ITA providing an update of scheme progress and the implications of the DfT's announcement that the scheme has been granted Programme Entry.
- 2.6. £6.313m has previously been approved by the ITA for expenditure on the NGT development in 2010/11 (shared equally between Metro and Leeds City Council). This funding is in addition to the £1.4million Major Scheme development allocation identified in paragraph 2.4 above.
- 2.7. In addition to the above funding, as in previous years, approval is sought for £285,000 to fund Metro's staffing costs within the Rapid Transit team. This would be funded through Metro's LTP allocation in 2010/11.

A65 Quality Bus Initiative

- 2.8. The DfT granted Full Approval (9 March 2010) to the A65 Quality Bus Initiative scheme, promoted by Leeds City Council in partnership with Metro. Site clearance work is now well advanced and utility diversions are underway. The main contract is due to be let by the end of April 2010.

Leeds Station Southern Entrance

- 2.9. The DfT announced Programme Entry for the Leeds Station Southern Entrance in March 2010 and wrote to Metro to confirm the conditions of this offer. Metro has accepted this offer as it was consistent with the MSBC submitted.
- 2.10. The scheme has also secured Planning Approval and it is therefore appropriate to commence the next phase of development work in accordance with the programme submitted to DfT. Approval for funding is required to undertake the next stages of work that are essential to obtain Conditional Approval.
- 2.11. The preferred procurement approach for the scheme is a hybrid design and build approach. This will allow Metro to secure a tender price for the scheme, and therefore be in a position to seek full approval from the DfT, earlier in the overall programme. Whilst overall this would not significantly impact on the cost of design work, this will however reduce the level of funding required to develop the scheme prior to receiving Full Approval from the DfT. This therefore reduces the risk of incurring substantial abortive costs if funding for the scheme is withdrawn by the DfT prior to receiving Full Approval.
- 2.12. Approval is therefore sought for expenditure of £150k to progress land negotiations and work required to specify and obtain robust estimates for the pre-tender design. Further spending approval will be required to complete work later this year.
- 2.13. It is proposed that this £150k is funded from the £1.4m identified in the current three year capital programme for Major Scheme Development noted in paragraph 2.4 above.

Castleford Interchange

- 2.14. An application was made by Metro to DfT in November 2009 seeking Conditional Approval for Castleford Interchange by January 2010. However, DfT's decision is still awaited and is unlikely to be announced until later in 2010.
- 2.15. Development work is ongoing for this scheme including the review of bus entry and exit arrangements. It is currently estimated that up to £200k of expenditure will be required to develop the scheme for Full Approval in 2010/11. This would cover costs associated with Network Rail, tender appraisal, legal agreements and safety audits. This expenditure is within the existing ITA approval (September 2005) to cover 'at risk' project development costs and therefore no further approval is required.

- 2.16. One of the main issues with the scheme has been the land acquisition process. Wakefield Council sought to acquire land required by mutual agreement. In parallel with this process, a compulsory purchase procedure (CPO) was implemented. Three objections to the CPO were received. Two have been resolved leaving only a Network Rail objection outstanding. Network Rail is supportive of the scheme, but is obliged to object until all of its statutory operational requirements are met.
- 2.17. The necessary project agreements to achieve this with Network Rail could feasibly be concluded before the end of May 2010. However, the project agreements required from Wakefield Council may take longer to complete. It is therefore possible that the CPO objection may not have been dealt with prior to a Public Inquiry, which is likely to be scheduled for a date in the next 3-6 months. Metro will work with Wakefield Council to try and avoid the need for an Inquiry.

Leeds Rail Growth Package

- 2.18. A submission for Programme Entry / Conditional Approval was made in November 2009. Whilst DfT officials indicated that they were happy with the technical content of the bid, it was not possible to achieve approval. As a result it is now unlikely that a decision on the scheme will be made until later in the year.
- 2.19. In order to complete the Network Rail processes necessary to obtain DfT Programme Entry / Conditional approval, approval is sought to fund a further £65k of expenditure on this scheme.
- 2.20. It is proposed that this £65k is funded from the £1.4m identified in the current three year capital programme for Major Scheme Development noted in paragraph 2.4 above.
- 2.21. A letter was written to the Secretary of State for Transport in relation to Pontefract Monkhill seeking assurances that the DfT would allow early expenditure (by Metro) on the proposed car park enhancement to be re-claimed later as part of the major scheme. This would complement the new London service by Grand Central due to commence in May 2010. A response has been received from Chris Mole, Minister responsible for rail, stating that no guarantees can be given for funding this element of the package until the overall scheme is approved. Metro will review the position on Monkhill in Autumn 2010.

Other Major Schemes

- 2.22. There are a number of other major schemes that Metro is progressing for which an application for programme entry or conditional / full approval is yet to be made. In order to progress these schemes development expenditure will be required in 2010/11.

East Leeds Parkway

- 2.23. Metro has been working with Network Rail to develop proposals for a parkway station to the east of Leeds. The purpose of the scheme is to:
- Provide additional capacity on the rail network by providing a turnback facility allowing shuttle services from Leeds to turn back; and
 - Provide a strategic Park and Ride facility with parking for up to 750 cars.
- 2.24. To date Network Rail has developed the case for the 'turnback' element of the scheme and Metro has developed the case for the additional strategic Park and Ride element. It is, however, now necessary to look at the overall business case for both elements of the scheme in order to secure commitment to progress the development of the scheme in to the next design stage.
- 2.25. Approval is therefore sought for expenditure of £10k to review the overall business case for the scheme based on a number of potential scenarios. This approach minimises the risk of abortive expenditure prior to committing Metro's contribution to the detailed design work for this scheme. Further spending approval will be required to progress work this later year subject to satisfactory progress on the business case.
- 2.26. It is proposed that this £10k is funded from the £1.4m identified in the current three year capital programme for Major Scheme Development, noted in paragraph 2.4 above.

Wakefield Westgate

- 2.27. Metro has been working with Network Rail to deliver capacity enhancements at Wakefield Westgate Station though the provision of a new bay platform. The scheme will deliver performance benefits for the local service to Huddersfield and also allow the reinstatement of the Pontefract line services into the station subject to a timetable study.
- 2.28. Metro is about to commission a timetabling study to establish whether this scheme is feasible using the May 2011 East Coast timetable as a base. It is anticipated that this study will cost £10k and be completed by summer 2010. This timetabling work will be managed by Northern Rail on Metro's behalf.
- 2.29. Depending on the outcome of this study, further expenditure would be required to develop the business case to reach the point at which a submission for Programme Entry could be made. This is expected to be in the order of £50k.
- 2.30. Approval is therefore sought for a total of £60k of expenditure to fund work to be undertaken before Autumn 2010.

- 2.31. It is proposed that this is funded from the £1.4m identified in the current three year capital programme for Major Scheme Development, as noted in paragraph 2.4 above.

Capital Programme Funding

- 2.32. The 3 year programme approved by the ITA in February 2010 included £1.4m of Major Scheme Development costs to be used flexibly and directed to schemes to minimise the risk of abortive expenditure, as well as maximise the amount of funding ultimately secured for West Yorkshire.
- 2.33. The proposed work identified in paragraphs 2.9 to 2.31 to be undertaken prior to the next expected announcements from the DfT to be funded from the Major Schemes Development allocation of £1.4 m is estimated in Table 2 below.

Table 2: Proposed use of Major Schemes Development allocation until Autumn 2010

Scheme	Approval Sought (£000s)
Leeds Station Southern Entrance	150
Leeds Rail Growth Package	65
East Leeds Parkway	10
Wakefield Westgate	60
TOTAL	285

- 2.34. A further review will be undertaken once further decisions on Metro's major schemes have been made or the national funding position is clearer. The review will ensure an approach that minimises the risk of abortive expenditure, as well as seeking to maximise the amount of funding ultimately secured for West Yorkshire.

3. FINANCIAL AND LEGAL IMPLICATIONS

- 3.1. These are set out in Section 2.

4. STAFFING IMPLICATIONS

- 4.1. None as a direct result of this report.

5. EQUAL OPPORTUNITY IMPLICATIONS

- 5.1. All capital schemes will be designed to meet equal opportunity requirements and regulations.

6. RECOMMENDATIONS

- 6.1. That the position in relation to the development of major schemes is noted.
- 6.2. The expenditure of £285k on Rapid Transit staff salaries set out in paragraph 2.7 and to be funded by the 2010/11 LTP allocation is approved.
- 6.3. The expenditure of £285k set out in Table 2 is approved and funded through the LTP allocation.
- 6.4. That a further review of capital expenditure on Major Schemes is carried out following the completion of the next phases of work and any further DfT announcements.

Director General
West Yorkshire Passenger Transport Executive