

WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY

DATE: 8 FEBRUARY 2008

AGENDA ITEM NO: **17**

SUBJECT: CAPITAL PROGRAMME

Report of the Passenger Transport Executive

1. MATTER FOR CONSIDERATION

- 1.1 This report seeks approval for schemes to be funded through the capital programme.

2. INFORMATION

- 2.1 The Department for Transport (DfT) issued the annual 'settlement' letter to the West Yorkshire Local Transport Plan (LTP) Partnership in November 2007. The settlement letter and implications have been reported in detail to the LTP Steering Group.
- 2.2 The DfT have used existing methodology and formulae from previous years to calculate the Integrated Transport settlement for 2008/9. However, the DfT no longer allocate performance or bonus elements within settlements.
- 2.3 The 2008/9 capital programme, primarily funded through Metro's share of the LTP programme is set out in the budget report. Approval is sought for the following schemes:
- 2008/09 Shelter Programme;
 - LTP Scheme Development; and
 - New Generation Transport (NGT)

2008/09 Shelter Programme

- 2.4 In line with the LTP strategy of bringing Metro's shelter stock up to modern standards, an approval of £2,200,000 is sought to cover the shelter programme in 2008/9, including the provision of Clear Channel advertising panels on shelters to create an increase in the level of advertising income. These elements will be funded from Metro's LTP allocation.

- 2.5 Funding is included within the shelter programme approval to provide new shelters in St Georges Square Huddersfield as part of a revival scheme for the Square being undertaken by Kirklees Metropolitan District Council with the support of Yorkshire Forward.

LTP Scheme Development

- 2.6 The efficient and effective implementation of Metro's capital programme requires appropriate investment in scheme development, including the recharging of some staff costs to the capital programme.
- 2.7 This approach has enabled the full use of LTP1 funding, good progress in implementing the 2007/8 capital programme and the development of Major Scheme Business Cases.
- 2.8 Approval is therefore sought for £425,000 which will be funded from Metro's LTP allocation to fund scheme development of LTP schemes during 2008/9 to allow the development of LTP schemes, the development of business cases and design work for major schemes.
- 2.9 The Authority has in previous years approved the use of capital resources to fund staff developing LTP projects in order to underpin the implementation of the capital programme. It is proposed to continue this arrangement. The total funding required for 2008/09 is £350,000 which will be funded from Metro's LTP allocation.

NGT

- 2.10 There is a continued need to develop the NGT project in order to reach a point where the scheme can be considered for major scheme programme entry. Funding is therefore required to cover the cost of the programme of work to be undertaken by the NGT project advisors and the Metro staff costs in 2008/9.
- 2.11 An approval of £2,720,000 is sought to fund estimated costs associated with the technical work to develop the NGT scheme. This would be funded through a £1,360,000 contribution from Metro's LTP allocation in 2008/9 and a £1,360,000 contribution from Leeds City Council.
- 2.12 A further approval of £250,000 is sought to fund Metro's staffing costs within the Rapid Transit team. This would be funded through Metro's LTP allocation in 2008/9.
- 2.13 It should be noted that any expenditure undertaken prior to major scheme programme entry is at risk – that is, it represents a sunk cost to the project. However, should the scheme receive full approval, up to 50% of costs can be claimed back.

3. FINANCIAL AND EC PROCUREMENT IMPLICATIONS

3.1 The funding sources of the proposed capital schemes are set out in Section 2 above.

3.2 Procurement will comply with EU regulations.

4. STAFFING IMPLICATIONS

4.1 There are no staffing implications directly as a result of this report.

5. EQUAL OPPORTUNITY IMPLICATIONS

5.1 Schemes will be designed so as to ensure maximum accessibility for all members of the public.

6. RECOMMENDATIONS

6.1 That the expenditure set out in section 2 be approved.

**Director General
West Yorkshire Passenger Transport Executive**