

WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY

DATE: 28 July 2006

AGENDA ITEM NO: **14**

SUBJECT: TRANSPORT VISION AND TIF PUMP PRIMING BID

Report of the Passenger Transport Executive

1. **MATTER FOR CONSIDERATION**

- 1.1. A request from the City Region Leaders' meeting that Metro submit a proposal for pump priming funding to the Transport Innovation Fund to undertake wide-ranging studies of how to address congestion and its impacts on economic performance.

2. **INFORMATION**

Background

- 2.1. The Authority has endorsed the development of a longer –term Transport Vision. The associated analysis and consultations have been extended to cover the wider City Region following consideration by the Leaders of the eleven authorities.
- 2.2. This work has included consultations with each City Region authority and collation of appropriate data and evidence. Consultants Arups (who have been commissioned to undertake the work on the vision) have now produced a draft vision and investment plan (setting out the cost and potential funding sources). The vision is based around the following themes:
 - Highways: additional capacity to alleviate bottlenecks;
 - Rail: electrification, additional capacity, better frequencies / journey times, role for tram-train;
 - Bus: quality and access improvements, Bus Rapid Transit;
 - Complementary solutions: strategic park and ride, interchange, ticketing.
- 2.3. The next stage is to undertake consultation on the draft vision with the partner authorities and key stakeholders. It is proposed that the Vision be considered by the Authority's Development and Environment Working Group and reported to the Authority meeting of 22 September.

- 2.4 The final version of the vision will form part of the City Region Development Programme, which will be considered at a future meeting of the City Region Leaders.
- 2.5 The Transport Innovation Fund (TIF) will be a potentially key source of funding to implement the Transport Vision programme.

Transport Innovation Fund

- 2.6 The Transport Innovation Fund was announced in July 2004 and represents a significant element of national funding for transport investment, rising from £290m in 2008/09 to over £2.5 billion per annum by 2015/16.
- 2.7 The Transport Innovation Fund is intended to support:
- The costs of smarter, innovative local transport packages that combine demand management measures, such as road pricing, with measures to encourage modal shift, and better bus services;
 - Local mechanisms which raise new funding for transport schemes; and
 - Regional, inter-regional and local schemes that would be beneficial to national productivity.
- 2.8 There are two strands (productivity and congestion) to the Transport Innovation Fund. The Department for Transport (DfT) has sought advice from Regional Development Agencies (RDAs) for 'quick wins' through the productivity strand and will subsequently seek to incorporate the outcomes of the Rod Eddington study of transport and the economy.
- 2.9 The congestion strand is primarily aimed at local transport authorities as a way of delivering innovative packages that include enhancement to public transport as well as demand management measures.

Pump Priming Funding

- 2.10 DfT guidance sets out a process for accessing the congestion strand of TIF funding. This process is illustrated in Appendix 1. The first stage, which is not mandatory but could be extremely beneficial, involves studies and related feasibility work to examine the case for fiscal measures linked to additional investment in public transport. DfT are making pump-priming funding available to resource this first stage and inform the national debate.
- 2.11 The deadline for submission for the second (and possibly last) round of pump-priming funding is 31 July 2006. In total up to £9 million DfT funding is still available, which is to be matched by local funding for each pump-priming submission.

- 2.12 The City Region Leaders have endorsed the preparation of a bid for TIF pump-priming funding to develop a better understanding of the current and future impacts of congestion on economic performance and the respective roles of investment, transport management and demand management, including fiscal measures, in tackling congestion problems. The reasons for this decision were:
- The recognition that congestion has been identified as the top priority issue in consultations on second Local Transport Plans, (although in North Yorkshire it was ranked below road safety and accessibility);
 - That the investments that can be funded through second (and subsequent) Local Transport Plan and Regional Funding allocations for local major transport schemes will not be sufficient to prevent congestion from worsening or to deliver the emerging Transport Vision for the city region;
 - That it is necessary to engage with the TIF process and explore opportunities for securing TIF funding to improve economic performance.
- 2.13 The City Region Leaders have requested that Metro submit the proposal on behalf of all authorities.
- 2.14 It should be noted that utilising TIF pump-priming funding for congestion studies does not imply a commitment to introduce fiscal demand management measures.

Proposed Submission

- 2.15 A bid for pump priming funding has been developed through joint working between authorities across the city region and the Highways Agency. The bid development has also been considered by the West Yorkshire Local Transport Plan Steering Group and two meetings of the recently established 'Congestion Partnership' involving the private sector, Yorkshire Forward, Department for Transport and Government Office in addition to local authority partners.
- 2.16 The bid has been drafted to comply with DfT guidance and has been informed by advice from DfT and the Government Office for Yorkshire and the Humber. It sets the context for the bid in policy terms and proposes a phased programme of work to investigate in detail current and future congestion, public and business responses to congestion and investment and demand management measures (including fiscal measures) that would address congestion and assess their impacts on economic activity, productivity and investment. The bid recognises the great range of circumstances across the city region and that a variety of approaches will be required.

- 2.17 The final phase could be the development of a full funding bid to the Transport Innovation Fund. This would be subject to separate approval process(es).
- 2.18 Draft copies of the bid document are available from the Deputy Clerk to the Authority.

3. FINANCIAL AND EC PROCUREMENT IMPLICATIONS

- 3.1. The bid sets out an overall programme of activities that are estimated to cost £3.4 million, with £1.7 million being provided as pump priming funding by the DfT.
- 3.2. There is a requirement to provide local funding to match funding from the Department for Transport. In general match funding will comprise a combination of staff time and existing / planned studies as well as financial contributions funded through the capital programme funded through the Local Transport Plan. The mix of match funding between Metro, the Highways Agency and other authorities will be finalised during the inception phase and reported to a future meeting of the Authority.
- 3.3. The DfT have requested that the bid include an option for a smaller scale study and this would be further explored through the inception phase if necessary.

4. STAFFING IMPLICATIONS

- 4.1. The bid development has been managed within existing staff resources.
- 4.2. The staffing implications of undertaking the pump-priming activities will be considered further in the proposed inception phase.

5. EQUAL OPPORTUNITY IMPLICATIONS

- 5.1. None as a result of this report.

6. RECOMMENDATION

- 6.1. That Metro submits the application pump-priming funding (from the Transport Innovation Fund) on behalf of the Leeds City Region authorities.

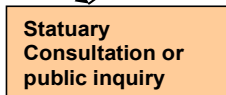
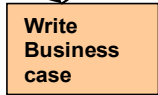
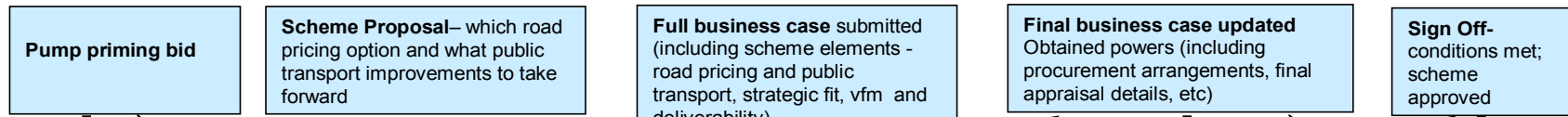
Director General
West Yorkshire Passenger Transport Executive
20 July 2006

Congestion TIF Stages

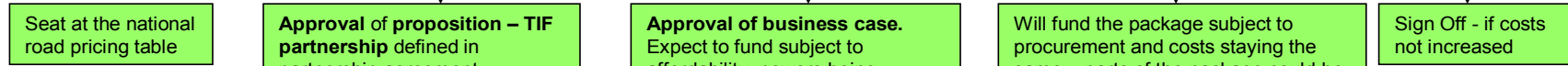
Stages



LAs provide



DfT provides



Key messages

