

SCHEME DESCRIPTION

1. Introduction

This Application

- 1.1. This document forms the Major Scheme Business Case (MSBC) submission to the Department for Transport (DfT) seeking Programme Entry for the Leeds New Generation Transport (NGT) network. NGT will provide a high quality, highly segregated, rapid transit service with greater reliability and faster journey times than existing bus services. This represents a much needed step change in the quality of public transport in Leeds.
- 1.2. This MSBC sets out the strategic context for the proposed network and the processes by which alternative options have been identified and compared. It demonstrates that NGT performs better than the alternatives and justifies the investment of public sector funding in the project.
- 1.3. In Yorkshire and Humber's first Regional Funding Allocation, £150m was assigned to contribute to the cost of NGT. As part of the second Regional Funding Allocation, a further £98.8m was assigned to the scheme. In total £248.8m has therefore been identified for NGT in the Yorkshire and Humber Regional Funding Allocation.
- 1.4. Programme Entry is required at this time to ensure that the project can be delivered to the timescale prescribed by the RFA processes and to allow for a first year of expenditure in 2012/13. Timely Programme Entry will protect the substantial investment already made by the Promoters, in terms of preparatory works undertaken on the project to date.
- 1.5. Work currently underway is focused on a Transport and Works Act Order (TWAO) application in Spring 2010. A delay in securing Programme Entry would inevitably disrupt the project momentum and is likely to result in failure to meet this milestone. A delay to the submission of the TWAO would have significant implications on overall project timescales, given that a General Election will happen in late spring/early summer, further delaying the application. This would result in the Promoters incurring further preparatory costs, since elements of work already undertaken for the TWAO process, would need to be substantially updated.
- 1.6. Whilst significant progress has been made with the development of the scheme, a substantial body of work remains to be completed before the capital funding allocation can be drawn down. This includes the TWAO application and Inquiry, and finalisation of the procurement route for the system. These required processes cannot be initiated until Programme Entry is achieved.

Promoters

1.7. This MSBC for Leeds NGT is being jointly promoted by West Yorkshire Passenger Transport Executive (Metro) and Leeds City Council (LCC). The contact details for the Promoters are as follows:

<p>David Haskins Assistant Director, Rapid Transit Metro (West Yorkshire PTE) Wellington House 40-50 Wellington Street Leeds LS1 2DE dave.haskins@wypte.gov.uk Tel: 0113 348 1701</p>	<p>Gary Bartlett Chief Officer, Highways & Transportation Leeds City Council 30 Ring Road Middleton Leeds LS10 4AX gary.bartlett@leeds.gov.uk Tel: 0113 247 5319</p>
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- 1.8. As Metro and LCC are promoting the NGT scheme in partnership, a joint Project Team has been established for the development of the project.
- 1.9. LCC are contributing Council land to the project and the Promoters are sharing the scheme development costs. In addition, Metro and LCC will use their complementary powers and obligations to promote the scheme effectively. They will also jointly promote the required TWAO.
- 1.10. Metro and LCC have entered into a Joint Venture Agreement (JVA) setting out the initial obligations required by the Promoters to proceed with the MSBC and beyond. This reflects the cost sharing approach to the promotion of the scheme and deals with the identification of Council land required for the final alignment of NGT. The agreement allows for the Promoters to develop further detail on the joint promotion of the scheme following Programme Entry, including the arrangements providing for the contribution of land. A copy of the JVA can be found at Appendix 1.

Project History

- 1.11. For a number of years a light rail system known as ‘Leeds Supertram’ was proposed to serve three corridors in Leeds. Significant development work was undertaken on the proposals and the scheme was at an advanced stage, with tenders received to implement the system. However, in November 2005 funding was withdrawn by the then Secretary of State for Transport on the grounds of affordability and value for money.
- 1.12. The Secretary of State encouraged the scheme Promoters to pursue a “showcase bus system that could lead the way for other cities”. It was suggested that the Promoters should work with DfT to achieve this aim and it was clearly indicated that funding would be available for “the right proposals”.
- 1.13. The work undertaken to develop the NGT proposals has reinforced the Promoters’ conviction that a rapid transit system would offer the best solution to the transport problems in Leeds. On this basis the Promoters have



continued to work closely with DfT to develop a bus-based solution which meets the necessary affordability criteria and has the potential to deliver significant benefits.

- 1.14. The Promoters are committed to delivering a top of the range bus-based system for Leeds and believe that NGT represents the necessary step change in the quality of public transport provision.
- 1.15. In terms of the wider context for NGT, detailed technical work on the existing and future transport needs in Leeds has been undertaken to identify the type of intervention required on the City's radial routes. This confirmed which routes should be prioritised for NGT and a summary of this work entitled "Investing in Public Transport: A Framework for Leeds" is attached as Appendix 2.

Stakeholder Support

- 1.16. Public consultation on NGT took place from November 2008 to January 2009 and from June to September 2009. This consisted of public exhibitions with additional feedback sought via the internet, through local interest group meetings and in response to printed materials which were widely distributed and also made available at local libraries.
- 1.17. Public support for NGT is strong. The most recent consultation exercise found that 77% of respondents support the proposals (see Appendix 3). Stakeholder engagement has taken place throughout the development of the proposals and robust relationships have been developed with key organisations. Several key stakeholders have publicly stated their support for the NGT proposals including:
 - University of Leeds;
 - Leeds Metropolitan University;
 - Leeds, York and North Yorkshire Chamber of Commerce and Industry;
 - Leeds City Centre Partnership; and
 - GMI Property Company.

Report Structure

- 1.18. This document is structured to conform to DfT guidance on the production of Major Scheme Business Cases, last updated in September 2007. The analysis presented within this document has been undertaken in line with the guidance published as WebTAG.
- 1.19. The first chapter of this business case 'Scheme Description' comprising Sections 1 and 2, sets out an introduction to the proposed scheme, the scheme history and a summary of the specification of the Preferred Option.

- 1.20. The second chapter ‘Strategic Case’ comprises Sections 3-9 and sets out the wider context for the project in addition to the problems, opportunities and objectives which the scheme seeks to address. It sets out the processes of option generation and explains how options were selected to be taken through to full appraisal. An assessment of how the selected options fit with local and regional policies and strategies is provided, as well as consideration of their likely contribution to meeting local and regional objectives.
- 1.21. Sections 10-20, the ‘Value for Money Case’, form the third chapter of this document. The initial sections set out the processes of estimating capital and revenue costs for the scheme and the demand forecasting undertaken to derive the likely benefits it will deliver. The latter sections present the assessment of the alternatives against Central Government NATA objectives and the Cost Benefit Analysis and wider analyses which cut across NATA objectives.
- 1.22. The fourth chapter of this document ‘Delivery Case’, comprises Sections 21-27 and sets out the delivery plans for the successful implementation of the Preferred Option. The Delivery Case considers project governance proposals, project planning, plans for obtaining the required legal powers and consents and proposals for managing risk and engaging with key stakeholders. It also sets out the proposals for measuring impacts and evaluating the scheme, as well as the independent process approval which is being used to assure that the delivery plans are robust.
- 1.23. The fifth chapter ‘Commercial Case’ is set out in Section 28 and describes the procurement strategy, including the approach to private sector involvement. It details the key assumptions that have been made, in terms of forms of contract that could be used in the appointment of a potential construction/operating concession and how the risks would be allocated under the various contract options available. This section also sets out the other potential procurement approaches.
- 1.24. Sections 29 and 30 form the sixth chapter ‘Financial Case’ which sets out the requirements for funding the NGT scheme. This includes the identification of potential funding sources and an analysis of affordability.
- 1.25. The final chapter ‘Summary Case’ comprises Section 31 and summarises the Preferred Option, Next Best Alternative and Lower Cost Alternative presented in this MSBC, which have been taken through the full appraisal process.
- 1.26. The Major Scheme Application Checklist, which can be found at Appendix 4, lists where the required elements of analysis can be found within this document. The major scheme application cover form is submitted as a freestanding document.

Bibliography

- 1.27. At the back of this document a Bibliography has been provided, listing key documents referred to in this business case. The Bibliography also includes a full list of the appendices to this MSBC submission which have been provided as supporting information. These appendices are bound under separate cover and are also provided electronically on the CD bound into the back of this document.
- 1.28. Many of the other documents listed in the Bibliography are widely available, for example regional planning documents. Any other documents listed can be provided to DfT on request.

2. Preferred Option Specification

Preferred Option Alignment

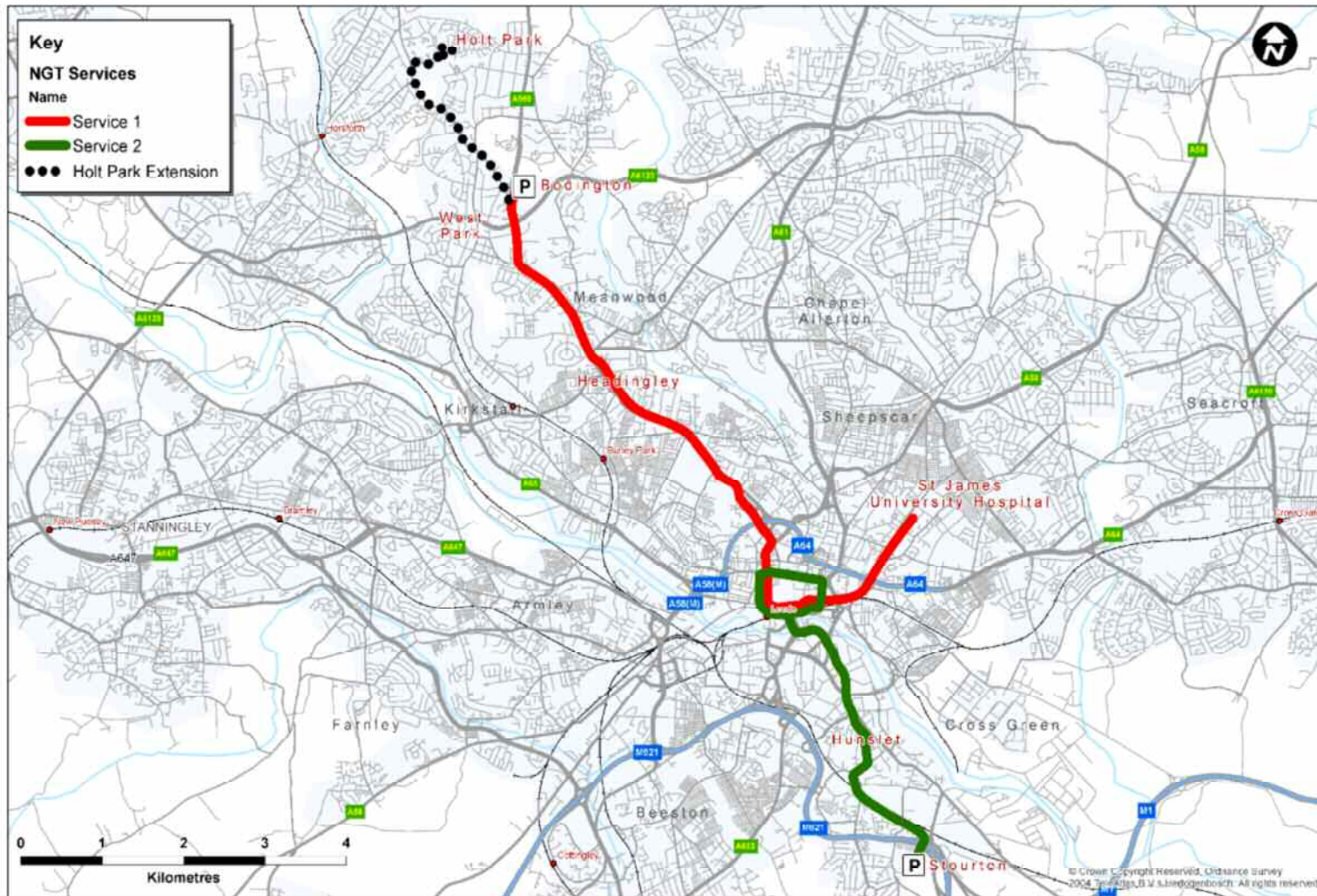
- 2.1. The transit mode for the NGT system set out in this MSBC is a single deck, articulated trolleybus; the rationale for selection of this mode is discussed in Section 5 of this document. In terms of the Preferred Option alignment, a 14 km network is proposed comprising a city centre hub with radial lines to:
- South Leeds, with Park & Ride at Stourton;
 - East Leeds to St James’s Hospital; and
 - North Leeds via A660 Otley Road, with Park & Ride at Bodington.
- 2.2. The Preferred Option alignment is discussed in a number of sections throughout this document and as such various plans are included in different locations. These plans illustrate the proposed NGT routes at different levels of detail and can be summarised as follows:
- Network overview plan – shown as Figure 2.1 below;
 - Route overview plans – provided in Section 6 (Figures 6.2 - 6.4); and
 - Scheme design plans – provided at Appendix 5.

The remainder of this section provides an overview of this preferred alignment which is also described in more detail in Section 6.

City Hub

- 2.3. The City Hub acts as a central focus to which all NGT radial lines connect, allowing cross-city NGT movements. The City Hub largely follows the existing public transport box, serving the commercial and retail heart of Leeds. It will have six stops to provide transport interchange with Leeds Bus Station, City Square (for Leeds Rail Station) and other key locations and services.
- 2.4. The City Hub will run predominantly on street along with general traffic/ existing bus services on City Square, Boar Lane, Duncan Street, Call Lane and New York Street. There will be a segregated alignment to the rear of the Leeds’ Markets and along Eastgate, The Headrow and Park Row, completing the loop at City Square.

FIGURE 2.1 PREFERRED OPTION



South Line

- 2.5. The South Line will run between the City Hub and a Park & Ride site at Stourton, adjacent to Junction 7 of the M621 (with approximately 2,200 spaces). This route serves several major redevelopment sites on the southern fringe of the city centre, including Brewery Wharf and Clarence Dock. It also passes through Hunslet District Centre, serving commercial, industrial and residential areas.
- 2.6. The route includes a new segregated alignment between Balm Road and Wakefield Road via the Hallam & Pontefract railway corridor, alongside the existing heavy rail alignment approaching the Stourton Park & Ride site.

East Line

- 2.7. The East Line will link the City Hub to St James's Hospital, offering cross-city connectivity to this significant trip generator/trip attractor. NGT will operate on the existing highway along Marsh Lane and then on to Burmantofts Street, making use of an existing bus lane inbound and a segregated section outbound. At the junction with Beckett Street a new two-way segregated alignment will be provided leading to a turnaround facility at St James's Hospital.

North Line

- 2.8. The North Line will run from the City Hub to a new Park & Ride site at Bodington (with approximately 800 spaces). It will serve the heavily congested A660 corridor, catering both for local trips and the longer distance market. The route links to the two principal campuses of Leeds Metropolitan University as well as connecting the city centre to both of the City's universities. Links to the communities of Hyde Park, Headingley and West Park will also be provided.
- 2.9. On leaving the City Hub, a section of segregated alignment will be provided across the eastern side of Millennium Square and along Cookridge Street. NGT will then run largely on-street until reaching a new segregated section to run behind the heavily congested Headingley District Centre.
- 2.10. On rejoining the carriageway NGT will run largely on-street until a section of central running segregated route is provided on the approaches to and across the A6120 Outer Ring Road roundabout. This central running will continue on the approach to the Bodington Park & Ride site.
- 2.11. Although not currently specified within the Preferred Option, the Promoters have an aspiration to provide an extension to the North Line to serve the District Centre and community of Holt Park. The development work undertaken to date has highlighted sound operational, economic and strategic reasons for providing this extension. As such the Promoters have

agreed to underwrite the necessary capital needed to fund this extension. It is however intended to investigate the means by which the Holt Park extension could be funded within the existing affordability envelope, as the detailed development work continues and costs are refined.

Operations

- 2.12. It is currently assumed that two services will be provided operating at a core frequency of ten buses per hour in each direction. This would involve one service connecting the North and East lines via the City Hub, using Park Row and Boar Lane for two-way running. The other service would operate independently and would link Stourton Park & Ride to the city centre, traversing the City Hub in an anti-clockwise direction and then return to Stourton. Interchange between the two services would be available at shared stops on the City Hub.

Powers Required

- 2.13. Powers required to deliver the scheme will be sought by way of an Order under the Transport and Works Act 1992 and an associated application for deemed planning consent under section 90(2A) of the Town and Country Planning Act 1990. While this will be the first submission for a trolleybus system, the use of TWAO powers for this purpose is expressly provided for by the 1992 Act.

Key Assumptions and Risks

- 2.14. Risk management is a key part of project delivery. Risk Registers have been developed for the project which provide a database of all project and strategic risks. The Risk Registers contain details of all risks identified, risk owners, risk probability, likely impact and proposed mitigation measures. Headline risks for the project are set out in Section 24 and further detail is provided in the Risk Registers which are attached at Appendix 6.

Delivery Programme

- 2.15. The delivery programme is based on the assumption that Programme Entry will be granted by the Department for Transport (DfT) in December 2009 (a target date confirmed as achievable by DfT). The key project milestones can be summarised as follows:
- March 2010: submission of TWAO application;
 - April 2012: Conditional Approval to be sought;
 - June 2013: Full Approval to be sought; and
 - Early 2016: NGT operations scheduled to commence (assuming a two year construction period).