

# DELIVERY CASE

## 21. Project Governance

### Introduction

- 21.1. The key to the successful delivery of NGT is a positive approach from all of the organisations involved and in terms of the attitude and aspirations of the Project Team. The Project Team has adopted an evolving, flexible approach to the development of NGT, which is able to adapt to the challenges faced throughout the project lifecycle.
- 21.2. Collaborative working is inherent throughout the project, assisted by the initiation of a Joint Venture Agreement (JVA), between LCC and Metro (see Appendix 1). Both LCC and Metro have committed significant resources to the scheme and are supported by an extensive team of professional consultants. These organisations make up the Project Team.

### Project Management Principles

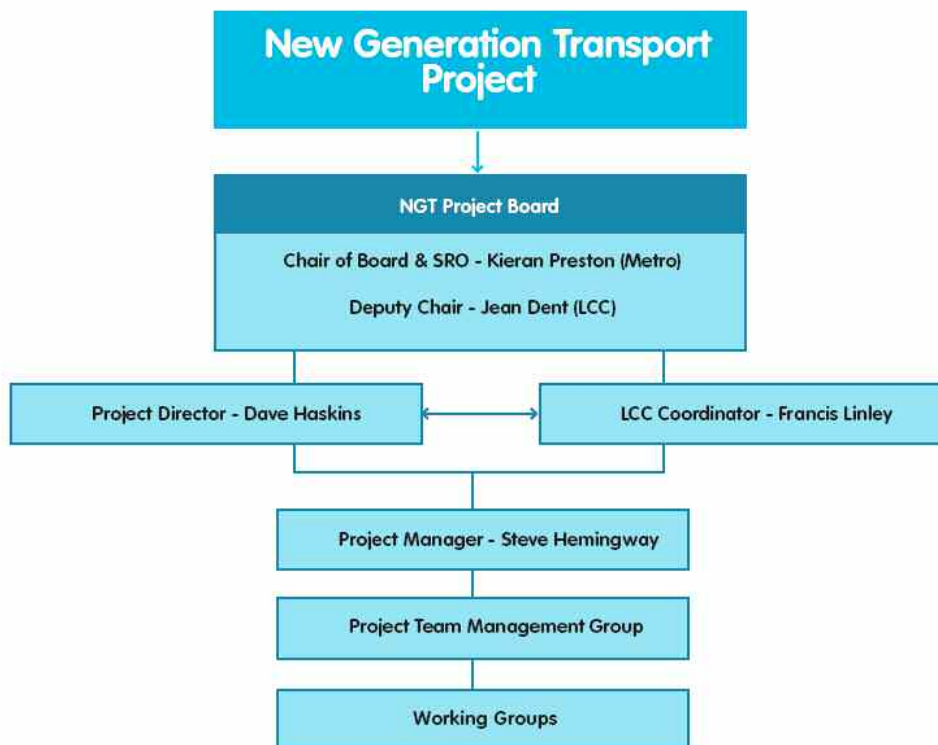
- 21.3. Robust project and programme management principles have been adopted within the NGT Project to provide guidance, support and best practice processes. These can be summarised as follows:
- **Project Management:** the project management approach follows PRINCE2/Managing Successful Programmes (MSP) methodology, as advocated by current DfT guidance;
  - **Project Controls:** to successfully manage project risks and support scheme delivery on time and within budget;
  - **Risk Management:** to inform the identification, categorisation, analysis and management of potential project risks and opportunities;
  - **Value Management:** intended to increase the balance of scheme benefit in relation to cost and risk; and
  - **Stakeholder Management:** to effectively identify, analyse and communicate with stakeholders throughout the project.
- 21.4. The project management strategy is defined in the Project Initiation Document (PID). The PID sets out a comprehensive methodology for how the project will be executed, monitored and controlled to meet the objectives of the Promoters. A full copy of the PID is attached at Appendix 47.

### Key Roles and Responsibilities

- 21.5. The management of the project is structured on two levels: The NGT Project Board and the Project Team Management Group (PTMG). The NGT Project Board is ultimately responsible for the delivery of the project and the role of the PTMG is to manage the delivery of the project.

21.6. The key roles and responsibilities within the NGT project are summarised in Figure 21.1.

**FIGURE 21.1 KEY ROLES AND RESPONSIBILITIES**



**NGT Project Board**

21.7. The NGT Project Board provides strategic guidance and approvals and decision making authority for the project. It also ensures that the project is developed and managed appropriately.

21.8. The Project Board also provides a link to Elected Members and Portfolio Holders within both the ITA and LCC. It comprises of senior officers from Metro and LCC in addition to a representative of Government Office for Yorkshire and the Humber (GOYH). Table 21.1 provides an overview of the leadership structure of the NGT Project Board.

**TABLE 21.1 NGT PROJECT BOARD: CHAIR AND DEPUTY CHAIR**

Name	Role	Responsibility
Kieran Preston OBE	Director General Metro Senior Responsible Owner/ Project Sponsor	Chair of the NGT Project Board Business Case Owner
Jean Dent	Director of City Development LCC	Deputy Chair the NGT Project Board Joint Business Case Owner

- 21.9. A summary of the roles and responsibilities of the other NGT Project Board members and a copy of the Terms of Reference are available in the PID (see Appendix 47) under Section 6: NGT Project Governance.

#### **Project Team Management Group**

- 21.10. The NGT PTMG is responsible to the Project Board and will ensure delivery of the project within the agreed parameters. Acting in the capacity of a Steering Group, it consists of officers from Metro and LCC, in addition to senior representatives from the appointed advisors' teams.
- 21.11. The remit of the PTMG is to ensure sustained progress on the development of the project, with adherence to identified and agreed target budgets.
- 21.12. The PTMG meets once a month to discuss progress across all areas of the project. Progress update reports are provided by each advisor team and members of the Project Team to identify issues arising since the last meeting as well as forthcoming actions. The PTMG also provides technical advice to the NGT Project Board as required.
- 21.13. The PID (attached at Appendix 47) provides details of PTMG's membership, roles and responsibilities (under section 6 – NGT Project Governance).

#### **Project Director**

- 21.14. Dave Haskins from Metro is the nominated NGT Project Director. His responsibilities include day-to-day project management and ensuring that resources are allocated and managed appropriately. Francis Linley is the LCC NGT Coordinator and he manages the liaison and interaction between Metro and LCC. Generic roles and responsibilities for Dave Haskins and Francis Linley include:
- Ensuring the timely delivery of the project;
  - Ensuring that the respective Executive Boards are briefed and appropriately equipped to make decisions at the required times; and
  - Managing the resources and interfaces between the various departments within Metro and LCC.
- 21.15. Dave Haskins chairs the PTMG and leads the Modelling and Appraisal and Options Appraisal Working Groups. Francis Linley leads the Urban Realm and Environment Working Group.

#### **Project Manager**

- 21.16. The Project Director and the LCC Coordinator are supported by the Project Manager, Steve Hemingway, who is seconded to Metro from Turner and Townsend. His responsibilities include:
- Planning and monitoring project activities;
  - Management of design compliance, cost control and time control;

- Maintenance and use of the Project Risk Register to manage risks and report material changes;
- Management of change control procedures;
- Organising the consultant team and monitoring their performance;
- Development of the procurement strategy;
- Management of the planning, design, procurement, construction, commissioning and handover processes; and
- Reporting on agreed reporting lines throughout the project.

### **Working Groups**

- 21.17. Working Groups have been established for each detailed technical workstream. Some are ‘task and finish’ groups whilst others meet on a weekly, fortnightly or monthly basis as required. Currently there are over 14 Working Groups and further detail regarding the scope and membership of these groups is provided in section 6 of the PID (see Appendix 47).

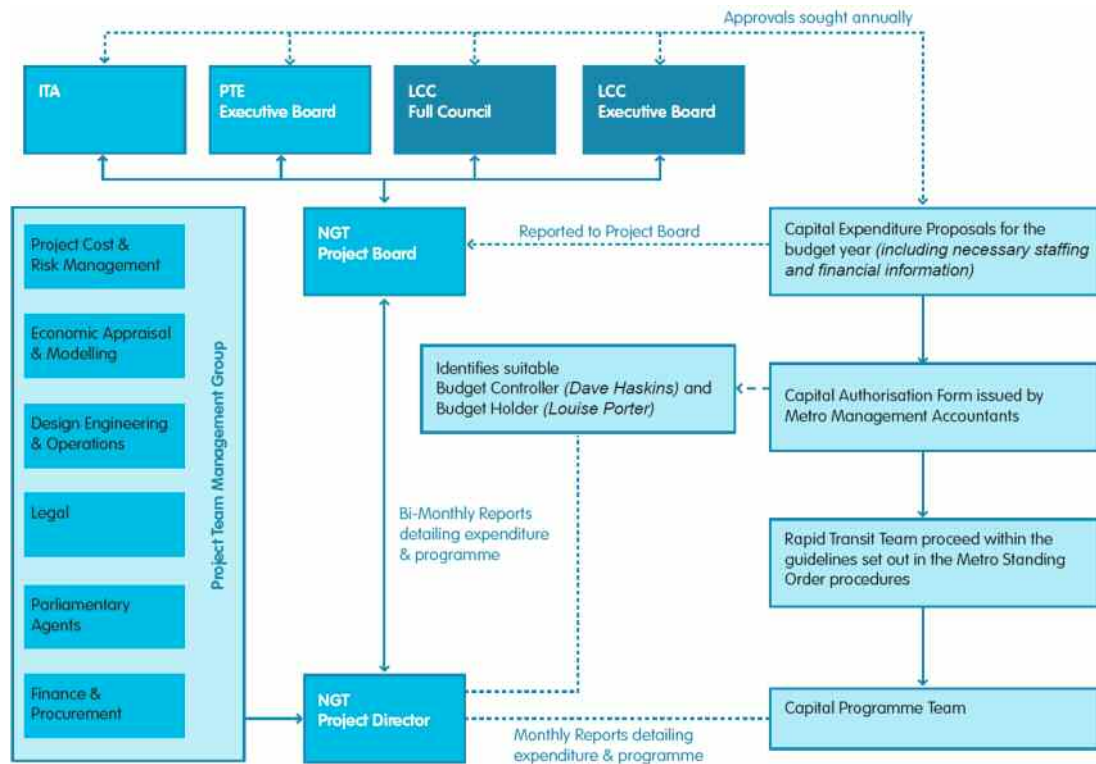
### **Promotion and Delivery Agreements**

- 21.18. A Joint Venture Agreement (JVA) has been developed between the scheme Promoters, Metro and LCC. It sets out the responsibilities and liabilities of each party (and to each other) in relation to advancing the scheme to the next stage.
- 21.19. Both parties have agreed that following Programme Entry, they will enter a further agreement which will cover the detailed working arrangements for the next stages of the Project.

### **Arrangements for Reporting and Decision Making**

- 21.20. The Project Board holds the ultimate responsibility for the successful delivery of the project. The PTMG report to the Board and the Working Groups feed into the PTMG or Project Board as appropriate. Other reporting and decision making arrangements, including reporting frequencies and delegation arrangements are illustrated in Figure 21.2.

FIGURE 21.2 NGT REPORTING AND DECISION MAKING ARRANGEMENTS



### Project Resources

- 21.21. The NGT Project Team is a multi-organisational team located at Phoenix House in Leeds city centre. Team members include Metro and LCC staff, in addition to Turner and Townsend Project Management and Cost Management staff. The NGT Project Team is led by the Project Director and assisted by the Project Manager.
- 21.22. The Project Team is supported by specialist advisors in the following disciplines:
- Project, Cost and Risk Management - (Turner and Townsend);
  - Design, Engineering and Operations - (Mott MacDonald);
  - Transport Economic Appraisal and Modelling - (Steer Davies Gleave);
  - Commercial Finance and Procurement - (KPMG);
  - Contract, Commercial and Land Law - (DLA Piper); and
  - Transport Works Act Orders - (Bircham Dyson Bell).
- 21.23. The Project Team also utilises additional resources from both Metro and LCC, including staff from Public Relations, Marketing, Legal, IT, Highways and Planning. Additional specialist resources, for tasks such as environmental surveys, land referencing, etc, are procured as required. As the project progresses to the next stage, there is an increasing need for

further resources and this is currently being addressed by both Metro and LCC in order to identify both the level and nature of any resources required.

## 22. Project Planning

### Project Programme

- 22.1. An overview of the NGT Project programme is attached in Appendix 48. This provides a breakdown of activities and the duration of these activities from submission of the MSBC to the start of operation. A summary of the project programme is provided below in Figure 22.1.
- 22.2. The activities listed and their durations and dependencies have been based on inputs from and consultations with appropriate members of the Project Team.

### Milestones

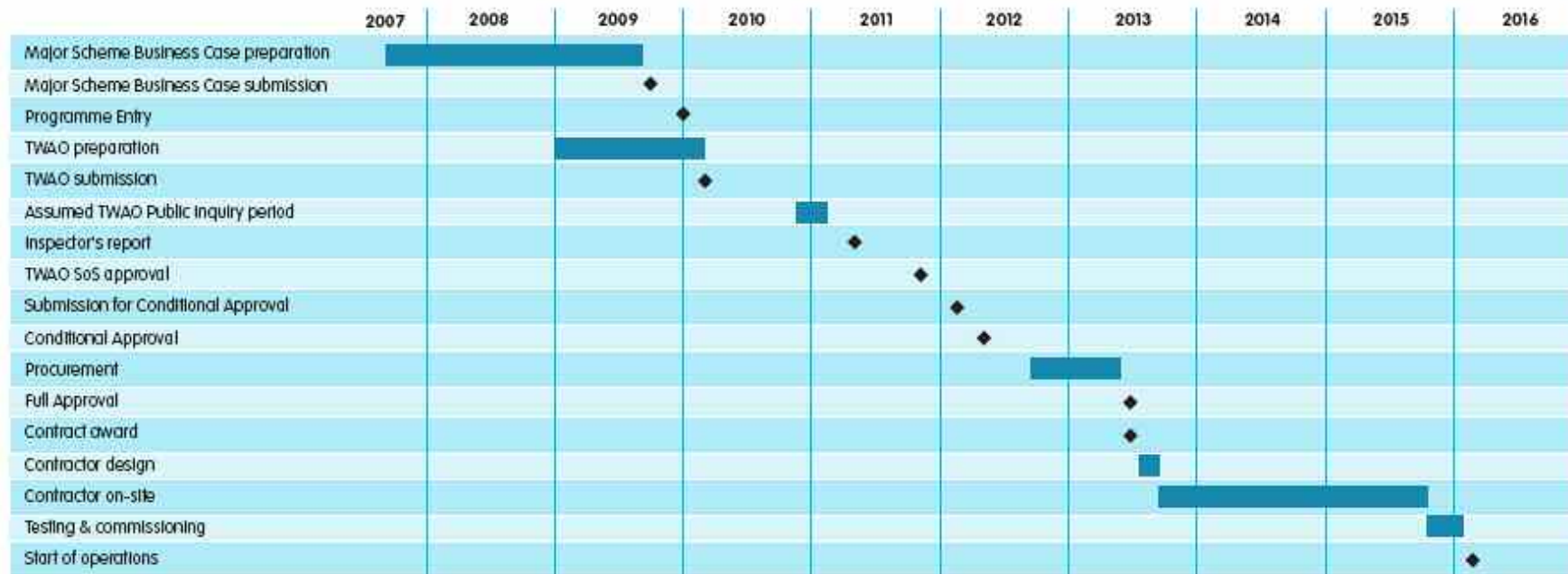
- 22.3. The project programme highlights a number of milestones throughout the lifecycle of the project. The key project milestones are summarised in Table 22.1.

**TABLE 22.1 KEY PROJECT MILESTONES**

Milestone	Date
DfT Programme Entry	December 2009
TWAO application	March 2010
Secretary of State decision on TWAO	December 2011
DfT Conditional Approval	April 2012
Selection of preferred tenders	April 2013
Full approval	June 2013
Contract award	July 2013
Start of construction	September 2013
Start of operations	March 2016

Leeds NGT – Major Scheme Business Case

FIGURE 22.1 NGT PROJECT PROGRAMME



## Key Dependencies

- 22.4. The key dependencies for the project have been identified in order to ensure that critical issues are addressed at appropriate points within the project lifecycle. A full description of the identified project dependences is provided in the PID (see Appendix 47) and the key dependencies can be summarised as follows:
- **Eastgate city loop issue:** The proposed Eastgate development plans impact on the final NGT alignment for the Limits of Deviation and operating proposals for a city loop. Land acquisition and compensation costs remain a risk while delivery of the development remains uncertain. The scheme to be submitted for NGT will seek approval for the full city loop, but delivery of the Headrow/Eastgate/Millgarth section may have to be deferred pending completion of the Eastgate/Harewood development. Interim arrangements to allow operation of the network in these circumstances are currently under development;
  - **Balm Road Bridge:** Treatment of the existing bridge to accommodate NGT remains a risk to the project if Network Rail require the bridge to be rebuilt;
  - **Balm Road Depot Site:** The proposed site is dependent upon Network Rail's agreement to enter into a contract to allow NGT to operate close to existing railway lines;
  - **Leeds Bridge:** Treatment of the bridge is dependent on survey work which has been commissioned and the requirements of LCC Highways & Transportation Service; and
  - **Bodington Park & Ride:** Land for the site is currently owned by Leeds University and in use as sports pitches. There is a requirement to relocate and replace the pitches and present assumptions are that a replacement site at King Lane is acceptable. A side agreement on how the relocated pitches and changing facilities will be achieved also needs to be reached before the TWAO is submitted.
- 22.5. In addition there are also specific dependencies involving the Highway Agency which can be summarised as achieving Highway Agency approvals to the proposed works.
- 22.6. The above mentioned dependencies have been identified as project risks and measures to mitigate these have been developed. Further details are set out in the Risk Registers which are included at Appendix 6.

### Tasks on the Critical Path

- 22.7. The project programme also identifies those activities which are considered to form part of the critical path, these include:
- Achievement of Programme Entry from DfT;
  - Securing TWAO powers;
  - Procurement timescale; and
  - Construction.

### Impacts of Delay

- 22.8. A delay in achieving Programme Entry will have a significant impact on the timescales within which the Promoters can gain TWAO powers for the further development of the project. The Promoters are unable to take the development of the scheme forward without Central Government commitment to the costs of the project.
- 22.9. The impact of delay to the programme, caused by a delay in seeking and obtaining TWAO powers, will translate into further delays to the development of the project (e.g. in terms of technical specification and procurement processes).
- 22.10. The Promoters are seeking to gain Programme Entry and TWAO powers within the timescales set out in the project programme in order to maintain momentum on the project (thereby reducing or avoiding costs of inertia, delay and re-mobilisation). A further challenge is to achieve the agreed RFA spend profile in order that the project is not affected by other potential project spend within the region.
- 22.11. If timely Programme Entry is not achieved, it is likely that there will be complications in terms of the RFA spend profile and likely increases in project costs due to inflation.

## 23. Powers and Consents

### Introduction

- 23.1. The NGT scheme is likely to require the following powers and consents:
- Authority to construct, operate and maintain the permanent infrastructure;
  - Planning permission;
  - Listed building and conservation area consent;
  - Compulsory purchase powers, including powers to fix overhead line electrical equipment to buildings;
  - Powers to modify highways;
  - Traffic regulation controls; and
  - Powers to operate NGT as a transport undertaking.
- 23.2. In addition a number of other powers and consents may also be required including:
- Quality Partnership or Contract scheme and a ticketing scheme;
  - Railway possessions and associated consents;
  - Protected species licences;
  - Land drainage consents;
  - Construction noise approval under the Control of Pollution Act 1974; and
  - Powers under the Highways Act to create “Special Streets”.

### Transport and Works Act Powers

- 23.3. The majority of the powers required (including all those listed above, other than listed building and conservation area consents) can be obtained and 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.
- 23.4. No TWAO has yet been made for a trolleybus system, but the making of such orders for this purpose is expressly contemplated by the Act. In many respects it will be similar to those TWAOs already granted for tram schemes in various parts of the country.
- 23.5. The scheme does not fall within the scope of a nationally significant infrastructure project that requires a Development Consent order under the Planning Act 2008.

### Other Powers Required

- 23.6. Listed Building Consent and Conservation Area Consent will be required for various aspects of the scheme, particularly in the city centre and in Headingley. Such additional consents are required where works affect a Listed Building or its curtilage, or take place within a Conservation Area.
- 23.7. A Statutory Quality Partnership (SQP) or a Quality Contract under the Transport Act 2000, may be desirable as part of the arrangements to govern the relationship between Metro and LCC (as the scheme providers) and the bus operators. Such an arrangement could define the quality of bus facilities and services to be provided by operators and restrict access to transport facilities provided by LCC. Likewise, it may also be desirable for there to be a ticketing scheme under the Transport Act 2000.
- 23.8. Any SQP or ticketing scheme may relate purely to NGT vehicles or extend to other categories of buses.
- 23.9. On the South Line, some interference with operational railway land is in prospect. This is likely to require agreement for Railway Possessions and associated Asset Protection Agreements.
- 23.10. Other ancillary consents may also be required for the purposes of the NGT works. These include:
- Protected species licences e.g. to disturb any bats roosting in property or trees interfered with by the NGT works;
  - Consents from the Environment Agency for any works interfering with a main river; and
  - Approval from LCC under the Control of Pollution Act 1974 to specified noise levels in relation to construction activities.

### Process for Obtaining Powers

- 23.11. The process for obtaining a TWAO and associated section 90(2A) Planning Direction is governed by the Transport and Works (Applications and Objections Procedure), (England and Wales) Rules 2006 and the Transport and Works (Inquiries Procedure) Rules 2004. In essence, the process involves:
- An application to the Secretary of State, supported by plans and other prescribed documents;
  - Contemporaneous advertisement and notifications to statutory stakeholders and interested parties;
  - A forty two day objection period;
  - Referral of objections which are not resolved by agreement to a written representation procedure or to a public inquiry or hearing;
  - A report by the inquiry inspector to the Secretary of State;

- Determination by the Secretary of State;
  - Referral to Special Parliamentary Procedure if the provisions of the Acquisition of Land Act 1981 are triggered in relation to the acquisition of common land or public open space;
  - Advertisement of the final determination; and
  - A six week statutory challenge period.
- 23.12. At present, in common with other major Transport and Works applications to date, it is assumed that a public local inquiry will be required.
- 23.13. It is also possible, as was the case with the Leeds Supertram Extension Order, that Special Parliamentary Procedure may apply. In that case, the procedure was quickly completed and gave rise to no further hearings.
- 23.14. Any Listed Building or Conservation Consents must be applied for in the conventional way to LCC as the Local Planning Authority. However, assuming (as is intended) that the applications are made contemporaneously with the TWAO application, they will be subject to automatic call in by the Secretary of State for Communities and Local Government. They can then be determined contemporaneously with the TWAO.
- 23.15. The other powers and consents referred to above, will be applied for under the various applicable statutory regimes. It is envisaged that this will take place after the TWAO has been obtained, as has happened on other TWAO schemes. The exception will be the protected species licences which may need to be determined contemporaneously with the TWAO application.
- 23.16. It is envisaged that both the TWAO and all other powers and consents will be applied for jointly by Metro and LCC. However it is possible that responsibility for obtaining some ancillary consents could be delegated to a concessionaire.

## 24. Risk Management

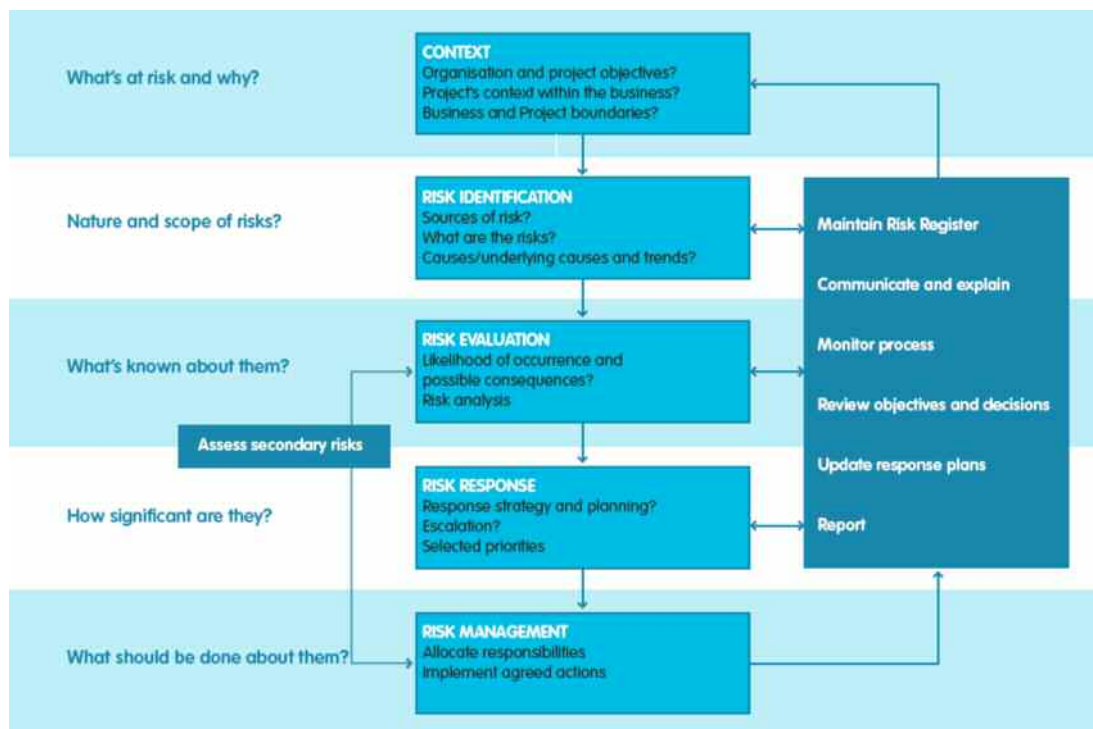
### Introduction

- 24.1. A Risk Management Framework has been developed for the project which:
- Enables risk management processes to be employed and recorded throughout the project lifecycle;
  - Details the risk control mechanisms to allow effective monitoring and evaluation; and
  - Develops a Risk Register that captures the project risks and evaluates them against cost, schedule and quality impacts.
- 24.2. The Risk Management Framework, which is explained in detail in Appendix 49, is rigorously monitored and updated through regular risk workshops and risk meetings. An NGT Risk Manager has been appointed who is responsible for overseeing the risk management process.

### Risk Assessment and Review Process

- 24.3. Risk Management for the project operates on the premise that risks occur across all project phases, therefore it must operate continually and consistently at all times. Risk Management is applied on three levels:
- **Strategic Risk Management:** applied during the initial project phase and is concerned with risks which will influence the achievement of project objectives. Risks at this level are high-level and strategic;
  - **Project Risk Management:** undertaken throughout the project and focuses on project level risks to the point of operation, allowing the Project Team to create and manage risk contingencies; and
  - **Operational Risk Management:** this will focus on the risks associated with the completed project once operational, and is considered as part of the project design process.
- 24.4. Figure 24.1 illustrates the process for identifying, evaluating and managing risks on the NGT project. Risks are assessed by establishing the likelihood (probability) and impacts (consequence – time and cost). The expected risk value is estimated using the Monte Carlo modelling tool.
- 24.5. Risk owners are assigned to each risk and mitigation/treatment plans are developed for each one, with target completion dates. These are reviewed monthly to ensure that the risks are actively managed. Risk Status Reports are prepared and sent to the bi-monthly NGT Project Board meetings.
- 24.6. Periodic evaluation of risk values also takes place to control and further reduce the expected value of the total project risk, to ensure a more confident risk estimate for the project.

FIGURE 24.1 RISK IDENTIFICATION, EVALUATION AND MANAGEMENT



### Risk Register

24.7. A Risk Register is a database of all project risks. It contains details of the risk assessment, mitigation/fallback plans and accountable people. It is a live document and a central control point for risk, which is continuously updated to provide an accurate account of the current risk profile.

24.8. Two Risk Registers have been developed for the NGT project as follows:

- **Strategic Risk Register:** contains high level risks which have significant impacts on the programme; and
- **Project Risk Register:** contains project risks which were assessed as part of the QRA and valued using Monte Carlo modelling.

24.9. The Strategic and Project Risk Registers are attached as Appendix 6 Information about how the risks were scored and assessed is also included in these documents.

### Mitigation Plans

24.10. Mitigation actions are developed for each risk to ensure risks proceed to an 'as low as reasonably practical' position. These are summarised on the Risk Registers and are reviewed on a continuous basis, including at the bi-monthly Project Board meetings and during Risk Workshops.

### Headline Risks

- 24.11. Table 24.1 sets out the headline risks for the project and provides details about the probability, impact, control measures and Risk Owner.

### Quantified Risk Assessment

- 24.12. A robust QRA process has been implemented throughout the development of the NGT proposals. Three separate QRA workshops have taken place in 2009 (in January, April and July), to review the Risk Management Framework and Risk Registers. The results from these workshops have been used to help inform the design process for NGT, through incorporating mitigation measures within the design where appropriate.
- 24.13. A consolidated risk report which provides further details relating to the movement, quantification and mitigation of risks to date, is attached at Appendix 50.
- 24.14. The QRA process has been driven by QRA modelling using the Monte Carlo modelling tool.

### Ongoing Plans for Risk Management

- 24.15. The ongoing plans for Risk Management vary according to the type of risk as follows:
- **Most Significant Risks:** reporting must highlight the risks for which management actions have the most to gain. Changes to such risks are tracked from one review to the next, in order to identify significant changes that can be attributed to effective management actions or lack of action;
  - **New Risks:** new risks are identified formally and informally and are captured and reported. This is done by submitting the relevant information to the Risk Manager using the Risk Identification form, rather than waiting for a formal risk review; and
  - **Closed Out Risks:** will be recorded with details about why the risks are no longer valid.
- 24.16. The effectiveness of management responses to risk are evaluated at the Risk Workshops. Information on this, and that also captured at risk meetings, are collated and disseminated to the Project Team and Project Board in Risk Workshop Reports.

TABLE 24.1 KEY DELIVERY RISKS AND CONTROL MEASURES

Issue	Risk	Probability	Impact	Control Measure	Owner
Existing bus operators undermine the business case and or challenge the scheme	<ol style="list-style-type: none"> <li>1. Scheme considered a challenge to their business</li> <li>2. Procurement regime rules out their involvement</li> </ol>	Very High	Funding of Network placed at risk	<ol style="list-style-type: none"> <li>1. Metro seeking advise on bus quality contracts in relation to potential challenges</li> <li>2. Develop a robust procurement strategy</li> <li>3. Hold discussions with operators</li> </ol>	<ol style="list-style-type: none"> <li>1. DLA Piper</li> <li>2. KPMG</li> <li>3. Promoters</li> </ol>
Lack of sufficient market appetite for an operator for the scheme	<ol style="list-style-type: none"> <li>1. Past experience of bidders on previous Leeds scheme</li> <li>2. Lack of confidence from bidders in scheme deliverability</li> <li>3. Competition concerns</li> <li>4. Projected revenues insufficient to gain market interest</li> </ol>	Low	<ol style="list-style-type: none"> <li>1. No Bidders (showstopper)</li> <li>2. Additional costs incurred on project so as to incentivise bidders (e.g. reduced risks on revenues)</li> <li>3. Erosion of BCR</li> <li>4. Delays to the procurement process</li> </ol>	<ol style="list-style-type: none"> <li>1. Monitor technical solution proposed against availability of operators</li> <li>2. &amp; 3. Inform market through both formal &amp; informal ongoing - market soundings.</li> <li>4. &amp; 5. Develop a preliminary Network Operating Strategy</li> </ol>	<ol style="list-style-type: none"> <li>1. Mott MacDonald</li> <li>2. &amp; 3. Mott MacDonald, SDG, Metro &amp; LCC</li> <li>4. Mott MacDonald &amp; SDG</li> </ol>
Risk that there are additional land acquisition requirements beyond that already identified and costed	<ol style="list-style-type: none"> <li>1. There could be significant land acquisition requirements as modelling could indicate the need for more land take.</li> <li>2. Routes through existing residential/ business areas controversial - especially when another stakeholders' interest might influence in terms of cost increase</li> </ol>	High	<ol style="list-style-type: none"> <li>1. Additional costs of land purchase</li> <li>2. Delays in procuring land</li> <li>3. Potential objections to acquisitions resulting in delays and damage to reputation</li> </ol>	<ol style="list-style-type: none"> <li>1. Limits of deviation to be developed as soon as practically possible (Nov 09) following Design Freeze 2</li> <li>2. – Ongoing engagement with stakeholders and individuals on specific issues identified through the public consultation process.</li> </ol>	<ol style="list-style-type: none"> <li>1. Mott MacDonald</li> <li>2. NGT Project Team</li> </ol>

Issue	Risk	Probability	Impact	Control Measure	Owner
Risk that there is a Bridge clearance issue with OHLE at IRR (York Street flyover) junction requiring additional mitigation costs	<ol style="list-style-type: none"> <li>Overhead power line heights required for Trolleybus greater than anticipated</li> <li>Height requirements to be established</li> </ol>	Very High	<ol style="list-style-type: none"> <li>Bridge to be raised or carriageway lowered resulting in additional design, delay and cost</li> <li>Additional utility services diversions required lowered resulting in additional costs and time</li> <li>Vehicle procured will have to run off OHLE at this location</li> </ol>	<ol style="list-style-type: none"> <li>Design reviews to reduce OHLE clearance requirements</li> <li>Vertical NGT track &amp; contact wire design</li> <li>Consideration of mitigation options</li> </ol>	1. -3. Mott MacDonald
Risk that an insufficient allowance is made with regards to inflation rates	<ol style="list-style-type: none"> <li>Unpredictable UK/ Global economic conditions</li> <li>Cost plans based on best available information, but remain estimates</li> <li>Unpredictable inflation rates in present economy</li> </ol>	Medium	<ol style="list-style-type: none"> <li>Additional funding required to deliver scheme as planned</li> <li>Value Engineering required to maintain services, whilst reducing cost if no additional funding available</li> </ol>	<ol style="list-style-type: none"> <li>Sensitivities in financial modelling be run so as to assess extent of risk</li> <li>Assess robustness of calculations and the scheme</li> <li>Undertake sensitivity tests on what would happen in certain situations including costs being higher than expected</li> <li>Consult with DfT on level to be applied</li> </ol>	<ol style="list-style-type: none"> <li>KPMG</li> <li>Mott MacDonald</li> <li>KPMG</li> <li>NGT Team</li> </ol>

## 25. Stakeholder Analysis

### Introduction

- 25.1. The Promoters have sought to engage with stakeholders throughout the development of the NGT proposals. This has involved communicating with individuals and groups on different levels and using a wide range of techniques to reach as wide an audience as possible.

### Stakeholder Support

- 25.2. Stakeholder support for the scheme has been apparent throughout project development and proactive engagement has taken place with a range of stakeholders who are important to the scheme for various reasons. A number of key stakeholders have publicly expressed their support for the scheme, including the University of Leeds, Leeds Metropolitan University, the Leeds City Centre Partnership and the Leeds and North Yorkshire Chamber of Commerce. In addition local MPs have also been supportive of the proposals.
- 25.3. Over the last 12 months two separate public consultation exercises have been undertaken on NGT which have also demonstrated strong public support for the scheme.

### Stakeholder Identification and Analysis

- 25.4. Key stakeholders were identified in the early stages of proposal development. The process drew on experience from the former Leeds Supertram project, which had involved the development of strong working relationships with various stakeholder groups.
- 25.5. Comprehensive analysis was undertaken for each key stakeholder, to assess the potential impact of the project on them and to identify the level and nature of engagement that would be required throughout the development of the project. This has resulted in a programme of proactive engagement with stakeholders such as businesses, interest groups and organisations and individuals located along the proposed routes.
- 25.6. The Project Team has also actively engaged with statutory bodies and third parties where there is a potential impact upon property or land. It will continue to do so in the coming months to ensure that impacts can be carefully managed and mitigated. Regular engagement has also taken place with local politicians and strategic organisations, such as the Leeds and North Yorkshire Chamber of Commerce and Yorkshire Forward.
- 25.7. The stakeholder analysis informed the development of a comprehensive Stakeholder Matrix which is included in the NGT Communications Strategy.

The aim of the Strategy is to ensure that all communications are carried out consistently and in a coordinated manner, so that stakeholder engagement is proactive, timely and of value. A copy of the Communications Strategy is provided in Appendix 51.

- 25.8. In terms of methods of stakeholder engagement, these have included individual meetings between stakeholder groups and the Project Team. In addition throughout the development of the project the Project Team have given various presentations to a wide range of groups including interest groups, access organisations, schools, Local Area Committees and local business organisations.

### **Key Stakeholders**

- 25.9. A full list of key project stakeholders is provided in the Communications Strategy in Appendix 51. It includes stakeholders in the following categories:

- Internal stakeholders;
- Regional bodies, including Yorkshire Forward;
- Department for Transport;
- Politicians: (national, regional and local);
- Local public transport providers, including bus operators, rail operators and taxi groups;
- The business community, including umbrella groups and individual businesses;
- Community groups, including residents associations;
- Interest groups, including access groups;
- Local residents, including those in close proximity to the proposed routes;
- Schools/youth groups;
- The local media;
- The Emergency Services;
- Utilities companies; and
- Third parties affected by the proposals including landowners.

### **Consultation Action Plan**

- 25.10. In addition to ongoing stakeholder engagement, the Promoters have also sought to ensure that there are sufficient opportunities for formal public consultation on the scheme proposals. An NGT Consultation Action Plan has been developed to cover specific consultation activities and this is provided at Appendix 52. This Action Plan has informed the development of the two NGT public consultation exercises undertaken to date and includes information on consultation aims, objectives, roles and responsibilities.

## Outcomes of Consultation Undertaken

### Public and Statutory Bodies Consultation

25.11. Initial consultation has taken place with a number of Public and Statutory Bodies, in relation to the Environmental Scoping Opinion work that has been undertaken (see Appendix 32). To date, this has involved dialogue with the following organisations:

- Leeds City Council (Sustainable Development Unit);
- Environment Agency;
- Natural England;
- English Heritage; and
- West Yorkshire Ambulance Service.

25.12. Further consultation will take place with these organisations and other appropriate bodies, as the development of the project progresses.

### Public Consultation

25.13. During the first public consultation exercise, which took place between November 2008 and January 2009, over 1,800 people completed a feedback questionnaire. The consultation asked questions about the principles of the scheme and what people would like to see in a new public transport system. The results showed that:

- Over 95% thought public transport in Leeds could be improved;
- There was a positive response to the NGT proposals and people welcomed future quality improvements and the provision of Park & Ride sites;
- People wanted to see more frequent and reliable services, cheaper fares, more bus lanes and less-crowded services; and
- Over one third wanted cleaner and more environmentally friendly vehicles.

25.14. The second period of public consultation took place between June and early September 2009. In total 2,594 people completed a feedback questionnaire and the results showed a positive response to the scheme with 77% of respondents indicating their support for the proposals (44% strongly support). In comparison, just 6% and 6% oppose or strongly oppose the proposals respectively.

25.15. The results also showed that:

- 76% of respondents support the use of trolleybuses to operate the system; and
- 81% of respondents would consider using NGT once it is operational.

- 25.16. Appendix 3 contains a full report of the findings from the most recent public consultation exercise undertaken in Summer 2009.

### **DfT Liaison**

- 25.17. Significant and regular engagement has also taken place with DfT throughout the development of the NGT proposals. This has included regular meetings on key project areas such as modelling, economic appraisal, procurement and general progress. In addition, throughout the development of the NGT proposals, key DfT officers have visited the proposed NGT routes in order to gain a more detailed understanding of the local issues.

### **Future Consultation and Stakeholder Management**

- 25.18. The Promoters recognise the importance of ongoing consultation and stakeholder engagement, as the NGT proposals are further developed. As the design work progresses it will be necessary to continue engagement with individuals and organisations on detailed issues in order to address any specific issues.
- 25.19. Work is currently in progress to proactively contact those individuals who raised any concerns about the NGT proposals, through the most recent public consultation exercise. The purpose of this exercise is to initiate further discussions with these individuals, in order to identify the nature of their concerns and to find an appropriate way forward.
- 25.20. Further consultation and engagement will also be required as the scheme progresses towards a TWAO application and throughout the TWAO process.

## 26. Monitoring and Evaluation

### Introduction

- 26.1. This section sets out the plans for evaluating the success of the NGT scheme once implemented, also known as the ‘Benefits Realisation Plan’. The sources of data currently available and which will be available are set out as well as plans to collect additional baseline and monitoring data in due course.

### Approach to Impact Evaluation

- 26.2. The objectives of the Evaluation Plan will be formed from a combination of the scheme objectives (set out in this MSBC) and key relevant NATA objectives. In particular the Economy sub-objective of Reliability and the Environmental sub-objectives of Local Air Quality and Greenhouse Gases.
- 26.3. Other impacts of significance which will be included in the Evaluation Plan are less suited to quantitative assessment and will therefore be considered qualitatively. The sub-objectives of the proposals with significant anticipated impacts include Journey Ambience and Security.
- 26.4. The detailed Evaluation Plan to be developed following Programme Entry will make reference to DfT’s guidance document The Evaluation of Local Authority Transport Schemes: A Guide.

### Baseline Data

- 26.5. A large amount of data is currently available to the Promoters from the market research exercises undertaken for both the NGT project and for the ‘Transport for Leeds’ model development. This data will be used to construct the baseline against which the performance of NGT will be evaluated.
- 26.6. However it is recognised that by the time that operation of the scheme commences, this data will be relatively old and as such it may not be sufficiently specific to all of the scheme objectives being considered. Therefore a baseline replenishment survey will be undertaken shortly before construction begins. The framework for this survey will be specified with the aim of ensuring that the probability of deriving a statistically significant comparison with data following the first few years of operation is as high as possible.

### Impact Monitoring

#### Outputs Monitoring

- 26.7. The outputs of the scheme are those aspects within the direct control of the Promoters or Operator. Prior to operations commencing, the outputs represent the infrastructure being delivered, for example the length of

segregated busway constructed or overhead power supply installed. The delivery of these construction outputs will be monitored and proactively managed during implementation to ensure that they meet programme, quality and cost constraints.

- 26.8. Following implementation of the scheme, the key outputs represent the NGT service offered, particularly in terms of frequency, journey time and quality. Service delivery data for the main purpose of ensuring that the service level and quality of service are maintained within the tolerances agreed with the operator will form the key source of data in this respect. A record of this data will be kept of all operations over time and no specific additional data collection is envisaged.

#### **Outcomes Monitoring**

- 26.9. The outcomes of the scheme are the impacts which naturally follow from the outputs, but which are not entirely within the control of the Promoters or Operator. For example the main outcomes of operating the NGT service are the number of passengers carried and the revenue received. For the purposes of evaluation, further information about passengers is required for example how the passengers previously travelled because the overall benefits to passengers being abstracted from private cars are different to the benefits of being abstracted from other bus services.

#### *Local Transport Plan Monitoring*

- 26.10. Indicators and targets are the key to the success of any LTP. The current West Yorkshire document contains focussed and locally relevant indicators and targets for the LTP area. The current LTP runs through to 2010/11, and contains 27 indicators and targets that West Yorkshire partners are monitoring during the Plan lifetime.
- 26.11. Although the Leeds NGT scheme will not become operational until beyond the lifetime of the current LTP, a number of the key indicators currently in place have relevance for the project as they or their successor indicators will be used for evaluation of the project once it is in the operational phase.
- 26.12. Current indicators are shown below (it should be noted that congestion indicators have not been included since these indicators deliberately omit corridors proposed for NGT):
- M1 – Local accessibility target;
  - M2 – Bus punctuality;
  - M3 – Satisfaction with local bus services;
  - M8 – Public transport patronage;
  - M12 – NO<sub>2</sub> annual average concentration undesignated AQMAs; and
  - L3 – AM peak period mode split to urban centres.

26.13. A single set of National Indicators has recently been published as part of the New Performance Framework for Local Authorities, and these will be reviewed by the Promoters to establish which of these are most appropriate to act as potential proxy measures against the Leeds NGT scheme's core objectives.

*Scheme Specific Monitoring*

26.14. Specific quantitative NGT data will be available to the Promoters through the contractual agreements put into place for operating the scheme. Patronage levels on the new services, measured through the ticketing data that will be available, will provide the key local indicator of success for the scheme, measured against the expected (modelled) demand.

26.15. In addition monitoring surveys will be undertaken post implementation to identify any changes in travel behaviour brought about by the introduction of the scheme, specified to inform the evaluation process outlined in brief above.

## 27. Assurance

### Independent Process Approval

- 27.1. Independent process approval will be obtained through the Office of Government Commerce's (OGC) Gateway Review process. This process appraises the NGT scheme at critical stages of development, to provide assurance that it can progress successfully to the next stage. It will add value to the project by ensuring that appropriate skills are utilised and realistic timescales and cost targets are set and achieved.
- 27.2. Although there are six Gateway Review stages during the life of the project, this submission considers the requirements of the four reviews prior to contract award as follows:
- Gateway 0: Strategic assessment
  - Gateway 1: Business justification
  - Gateway 2: Procurement strategy
  - Gateway 3: Investment decision
- 27.3. Gateway Review 0 was undertaken in July 2007. This initial review resulted in 12 recommendations covering areas such as option development, strategic fit, project governance and resources. These recommendations have since been implemented in order to assist the development of the project. A copy of the Gateway 0 report and a summary of the actions undertaken in response to the recommendations, are attached as Appendix 53.
- 27.4. Gateway Review 1 is programmed for November 2009 following submission of the MSBC. The 4Ps Project Assessment Spreadsheet (PAS) has been completed and can be found in Appendix 54.
- 27.5. In terms of future Gateway Reviews it is currently envisaged that Gateway Review 2 will be undertaken in advance of Conditional Approval, following the receipt of TWAO powers. Gateway Review 3 will take place following receipt of tenders but in advance of obtaining Full Approval for the proposals from DfT.
- Peer Review
- 27.6. Programme management and risk management on the NGT project have been subject to peer review by Turner and Townsend staff who are not directly connected to the NGT project but are working on comparable projects (e.g. Nottingham Express Transit and Trams for Edinburgh). The observations made through this process have concluded that the level of detail applied to project management and programme management is robust and over and above that commonly provided for schemes of a similar nature.

- 27.7. The capital costs for the scheme have also been subject to an independent cost appraisal, which has demonstrated that the cost assumptions made by the Project Team are robust. A copy of the surveyors report is attached at Appendix 18.