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Report to: Transport Committee
Date: 12 January 2018
Subject: City Region Transport Update

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12a, Local Government Act 1972, Part 1	

1 Purpose

- 1.1 To provide the Transport Committee with an update on current issues.

2 Information

Transport for the North

- 2.1 Transport for the North (TfN) is set to become the first sub-regional transport body in the UK from the 1 April 2018, through the Cities and Local Government Devolution Act 2016. Following Parliamentary approval, TfN's functions will be enshrined in legislation and TfN will be established as a statutory body and a partner to the Department for Transport, Highways England, and Network Rail to ensure that the North's strategic transport priorities are delivered.
- 2.2 Transport Committee has previously been informed of TfN's work to identify requirements for substantial, long term funding for strategic transport interventions in rail and road to support the functioning and growth of the Northern Powerhouse economy. TfN has now produced a draft Strategic Transport Plan (STP) for the North, working with Northern LEPs and Local Transport Authorities including WYCA on the approach and content. The STP will be TfN's flagship policy document setting out plans for investment in strategic transport in the north in the period up to 2050. TfN will consult on this draft STP. This will be a formal public consultation, but it will include targeting of key audiences including e.g. the business community, MPs and Media (National, regional and local). The consultation will run for 13 weeks, planned from Tuesday 16 January 2018 to 10 April 2018. The majority of the consultation will be online using a questionnaire. There will however be 5 simultaneous launch events across the north (including Leeds) held on 16 January, followed by a further 25

consultation events across the north in the period from 5 February to 11 March. Some of the consultation events will be held in West Yorkshire and these will provide an opportunity for the local tailoring of consultation material and discussion. TfN will lead the consultation activity, with WYCA and local partners supporting within West Yorkshire. Further details of these consultation events and the TfN website to host the consultation material and questionnaire will be published by TfN. It is proposed to bring a draft consultation response to the Transport Committee meeting on 16 March 2017 for comment and agreement.

- 2.3 The draft STP reflects WYCA transport priorities by identifying as a preferred option a new Northern Powerhouse Rail line connecting Manchester and Leeds via Bradford, and also recognising other rail investment requirements for Trans-Pennine Route Upgrades (TRU), the Calder Valley and East Coast routes and making Leeds and York stations HS2 ready.
- 2.4 Additionally, TfN has commenced work on their Central Pennines Strategic Development Corridor study. The first phase of the Central Pennines study, to December 2017, involved information gathering to understand problems. The second stage to April 2018 will involve sifting, modelling and appraising potential interventions, towards the publication of a Strategic Outline Business Case in summer 2018. Work will continue through to autumn 2018 to provide an evidence base for rail and road interventions. WYCA has worked with TfN on the scope of the Central Pennines study to cover journeys between Greater Manchester and East Lancashire and Yorkshire and the North-East. It is anticipated that the Central Pennines study should pick up WYCA and Leeds City Region expectations for improvements to the motorways and other strategic/pan northern road connections. The investigation of road improvements will build on earlier TfN work with its partners including WYCA to identify a Major Road Network for the North.
- 2.5 A Road Networks workshop held on 5 December 2017 with Transport Committee Members and West Yorkshire District Portfolio Holders was attended by TfN to brief Members on their development of the Strategic Transport Plan and Strategic Development Corridor (SDC) study. TfN also held an initial engagement event on the Central Pennines study in Leeds on 24 November 2017 with WYCA and West Yorkshire District Council Members invited. TfN's plans for further engagement on the Central Pennines study are currently being finalised and Transport Committee will be kept updated and actively involved in this process.

West Yorkshire Key Route Network

- 2.6 The Transport Committee workshop on 5 December 2017 also considered next steps in the implementation of the West Yorkshire Key Route Network (WYKRN), following the agreement of Transport Committee at its meeting of 8 September 2017 to a Memorandum of Agreement for collaborative working. The workshop identified some key priorities to steer collaboration working on the WYKRN:
- Invest to get the road assets to the best possible and a consistent standard across the WYKRN, and maintain this standard;

- Investigate apprenticeship and other opportunities to address staff resource pressures, especially in respect of Urban Traffic Management Control;
- Work with TfN and other partners (including Highways England and West Yorkshire Police) to improve communications and operations for better network performance, including the use of new technologies and data.

DfT consultation on Proposals for the Creation of a Major Road Network

- 2.7 The Department for Transport (DfT) commenced a consultation on 23 December 2017 with publication of proposals for the Creation of a Major Road Network. The consultation ends on 19 March 2018. The consultation material can be accessed at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/666965/shaping-the-future-of-englands-strategic-roads.pdf.
- 2.8 The DfT consultation follows their 2017 publication of the Transport Investment Strategy, wherein the government committed to creating a Major Road Network (MRN). The proposition is that the creation of an MRN will allow for dedicated funding from a National Roads Fund to be used to improve this middle tier of our busiest and most economically important local authority 'A' roads. The DfT are consulting on the principles of a MRN and asking for views on:
- How to define the MRN;
 - The role that local, regional and national bodies will play in the MRN investment programme; and;
 - which schemes will be eligible for MRN funding.
- 2.9 A report to the Transport Committee meeting of 8 September 2017 on Road Networks provided definitions of the Strategic Road Network (of Motorways and major A-roads as managed by Highways England) and Local Key Route Networks (as managed by Local Highway Authorities) and the thinking behind creation of a Major Road Network. The focus of the DfT and TfN is on how a MRN can interplay with the Strategic Road Network of motorways to better facilitate pan-northern movements of people and goods between key economic centres. For West Yorkshire, the creation of a MRN and a dedicated, sustained source of funding, could be anticipated to deliver improvements to our West Yorkshire Key Route Network given that many of the WYKRN roads are included in TfN proposals.
- 2.10 Transport for the North has been involved in work with northern partners to develop the detail of what a Major Road Network for the North might look like, and through their simultaneous consultation on their Strategic Transport Plan will also be asking questions in respect of what a MRN for the North should include and priorities for improvement). It is proposed to bring a draft consultation response to the Transport Committee meeting on 16 March 2017 for comment and agreement to submit to the DfT, prior to the deadline of 19 March.

DfT consultation on Shaping the Future of England's Strategic Roads

- 2.11 The DfT also commenced a consultation on 13 December 2017 on proposals for 'Shaping the future of England's Strategic Roads' of Motorways and major A-roads. This is separate to the DfT's consultation on the Creation of a Major Road Network (identified in paragraph 2.7 above). The focus for the DfT consultation is Highways England's simultaneous publication of its Strategic Road Network (SRN) Initial Report, which is described by DfT as the providing the first step in the process for setting investment priorities for the next five year Road Period commencing in 2020/21. From the start of this period the SRN will be funded from the National Roads Fund (NPF) financed directly from Vehicle Excise Duty. NPF is also proposed to be directed in part to fund the Major Road Network. NPF funding for the SRN is expected to cover investment in operations, maintenance and renewal of the existing network as well as any new enhancements.
- 2.12 Highways England's SRN Initial Report sets out:
- their assessment of the current state of the SRN and its potential future needs
 - their proposed priorities for the Road Period 2 (2020/21 to 2024/25) To inform its own response to the Highways England Initial report, the DfT is first seeking stakeholder views on:
 - the proposals made by Highways England in the SRN Initial Report;
 - DfT's analytical approach for developing their Road Investment Strategy and whether it is sufficiently robust;
 - whether DfT have heard the full range of views that should be incorporated into their Road Investment Strategy programme.
- 2.13 The DfT's consultation document can be accessed at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/666965/shaping-the-future-of-englands-strategic-roads.pdf. The Highways England SRN Initial Report (for which there are Overview and Full documents) can be accessed at: <https://www.gov.uk/government/publications/highways-englands-strategic-road-network-initial-report>. The DfT consultation closes on 7 February 2018. WYCA will circulate a draft consultation response to Transport Committee Members for comment and agreement to submit to the DfT, prior to the deadline of 7 February.

Trans Pennine Route Upgrade Update

- 2.14 The Transport Committee meeting of September 2017 considered an update report on the Transpennine Route Upgrade (TRU). It is understood that Network Rail have submitted their report to the Department for Transport on the options for TRU as expected on the 14th December.
- 2.15 The DfT have confirmed that the submission by Network Rail on December 14th will initially remain private to allow the Secretary of State ample opportunity to be briefed on the findings. However, it is Rail North's intention to request sight of the entire report and in collaboration with Rail North Partner authorities (including WYCA) and Transport for the North, develop a pan view/input to Government on a preferred outcome, output and scheme scope.

- 2.16 With regards to the next steps the indicative timeline for decision making is as follows:
- 14 December 2017: Price, programme and options received by Department for Transport, based on the original 16 July 2016 Client Development Remit;
 - December 2017 – Spring 2018: development and assessment of the best value and affordable combination of options and impact on the franchises, with support from Rail North Partnership;
 - Spring 2018: Department to engage with Rail North/Transport for the North on how to achieve the agreed objectives for TRU and possible interaction with other schemes;
 - Summer 2018: Consideration of stakeholder views and interactions with other schemes by DfT, and recommendation for preferred option, subject to Ministerial and Treasury approval;
 - Summer/Autumn 2018: Approvals for progressing TRU to the next stage – outline design; and
 - 2019: Following outline design outcomes - decision on final scope, full business case and investment authority, through DfT and HMT.
- 2.17 It is essential that Northern authorities through Rail North/TfN are able to influence development of the TRU scheme including the forthcoming choices about scope and outputs. To facilitate this Rail North will commission a specialist rail advisor to coordinate the identification of preferences and priorities. This will be guided by TfN's vision for sustainable economic growth that is being set out in the refreshed Long Term Rail Strategy (LTRS) and embedded within the Strategic Transport Plan (STP), as the primary policy document for the existing rail network in the North of England. This specialist advisor will also ensure Rail North/TfN are fully informed of what the right scheme for the north is in the context of NPR.

Northern Powerhouse Rail

- 2.18 The Northern Powerhouse Rail (NPR) programme promises radical changes in service patterns, and target journey times between the cities of the North. Currently fewer than 10,000 people in the North can access four or more of the North's largest economic centres within an hour. This would rise to 1.3 million once NPR is delivered. NPR would transform the job market, giving businesses access to skilled workers in larger labour markets and offer individuals the opportunity for flexible career development and progression, all within the North. WYCA and its Leeds City Region partners have put forward a clear, convincing and evidence led position on its ambitions for Northern Powerhouse Rail and how it should serve this area. This includes NPR serving Leeds, York and Bradford.
- 2.19 Transport for the North (TfN) is working on a Strategic Outline Business Case for NPR over the coming 9 months. This is on the basis of an emerging, preferred network that will be proposed by TfN through publication of its draft for consultation Strategic Transport Plan in January 2018. The emerging TfN vision for NPR corresponds with

the Leeds City Region's ambitions for the network, including in relation to our ambitions for Bradford and York to be on the network as well as Leeds.

- 2.20 The TfN Partnership Board has agreed a series of HS2/NPR touchpoints for inclusion in HS2's Phase 2b design work. This includes junctions east and south of Leeds and at Clayton, as well as refinement of the HS2 route near Manchester Piccadilly. These touchpoints or junctions will enable NPR services to utilise HS2 and the existing network enabling more places to be connected. Government has agreed to the inclusion of the touchpoints in the HS2 Phase 2b Hybrid Bill design work and allocated £300m towards their cost, subject to a value for money business case being demonstrated.
- 2.21 To further strengthen our evidence base, and to aid TfN in its work to develop an overall Strategic Outline Business Case for NPR, WYCA and Bradford Council are commissioning two specific pieces of work:
- an economic case commission to understand the overall benefits of an NPR stop in Bradford; and
 - a rail demand forecasting commission to better understand the scale of potential rail travel demand generated by a Bradford NPR station. This will help identify the potentially transformational impact on journey times and capacity that NPR would provide for journeys to Leeds and Manchester, including who would use the service.
- 2.22 This is part of the programme of work approved by Transport Committee at its meeting on 1st July 2016 from the Integrated Transport Block. This builds on the work already done on the strategic case for Bradford to be on the NPR network, and engagement with TfN and delivery partners on feasibility. The work is getting underway now and will be complete by spring 2018. It is being undertaken by specialist economic and transport consultants. A report will be brought to Transport Committee during the spring of 2018 summarising the main conclusions of the work done so far by WYCA and Bradford Council.

Consultation on methodology for allocating fixed costs to train operators in Control Period 6 (CP6)

- 2.23 Network Rail published a consultation on a proposed methodology for allocating fixed costs to train operating companies in September 2017. This is intended to apply to Control period 6 (CP6) from 2019 to 2024. Responses to this consultation were provided on WYCA's behalf by the Urban Transport Group (UTG) and Rail North. UTG's response raised serious concerns about the proposed re-allocation of fixed costs in a way that further shifts costs disproportionately to regional rail operations. This response was evidenced by the earlier UTG report "A Heavy Load to Bear, towards a fairer allocation of rail industry costs for regional rail" published in 2014.

- 2.24 In its response, UTG took the example of the line between Leeds to Doncaster. This infrastructure is used by East Coast Mainline trains, Northern trains, and Cross Country Trains. Parts of this line have to be completed to a standard that is acceptable for 100 mph inter-city trains. This cost is reflected in the quality of the track, the signalling, the frequency that works are required and the quality of the works, in comparison with the requirements of, for example, a local Northern multiple unit a top speed of 75mph and a lighter axle-load. In this situation, it is not sensible to allocate costs based on the number of trains per hour or vehicle-miles, as this does not accurately reflect where the cost of providing and maintaining the infrastructure, nor the revenue raising capacity, sits.
- 2.25 Rail North's response was largely made in support of the UTG response, and made a call for further dialogue on this issue. A copy of Network Rail's consultation, and all the responses received can be found here:
<https://www.networkrail.co.uk/running-the-railway/long-term-planning/periodic-review-2018-pr18/>

Connecting people: A strategic vision for rail / InterCity East Coast franchise

- 2.26 The Department for Transport (DfT) published a new strategic vision for rail on 29 November 2017. This sets out initial proposals for ending the operational divide between rail services and infrastructure provision through closer alignment of future rail franchises with Network Rail at the local level. The vision also includes a commitment to expansion of the rail network where it could support housing and economic growth, including through re-opening of previously closed stations and route alignments. Proposed new stations in West Yorkshire at Elland, Thorpe Park, White Rose and Leeds Bradford International Airport are highlighted in this context, noting the need to demonstrate a strong business case to secure government funding.
- 2.27 Included alongside the policy announcement was confirmation that the current InterCity East Coast rail franchise will be terminated at an unspecified date in 2020. The current franchise is operated by Virgin Trains East Coast, a consortium of Stagecoach (90%) and Virgin (10%), and commenced in March 2015. It was anticipated to run until March 2023 with an option for a 1-year extension subject to good performance.
- 2.28 Based on statements made by Stagecoach, it is clear that the balance of the franchise to the date it is terminated will be the subject of renegotiation with DfT. There are a number of important commitments contained in the current franchise due to be delivered from the May 2020 timetable change. These include through services from London to Bradford (also serving Shipley) and Harrogate (also serving Horsforth) in alternate hours during the week, plus a once daily return service to Huddersfield (also serving Dewsbury). There is also a commitment to a regular 2-hour journey-time between Leeds and London also from May 2020. This is enabled by new rolling stock which is already on order, with the first new 'Azuma' trains expected to be

testing in the coming months, and entering public service on the Leeds – London route from late 2018.

- 2.29 The current franchise is set to be replaced from 2020 by the ‘East Coast Partnership’. This is described as a long-term regional partnership between the public and private sectors, operated by a single management, under a single brand and overseen by a single leader covering passenger services and the network infrastructure. Further details on how this might work in practice are expected in the coming months. DfT anticipates procuring a private partner that will have a leading role in defining future plans for route infrastructure as well as delivery of intercity passenger rail services.
- 2.30 It is currently unclear what this means for other services using the East Coast mainline. For example, the East Coast mainline is shared with local services operated by Northern between Leeds, Wakefield Westgate and Doncaster, together with Cross Country services. Similarly, TransPennine Express and Cross Country services make extensive use of the East Coast mainline route north of York. The interface at busy nodes such as Leeds, where there are many competing operational pressures on the network, will need to be carefully defined and managed.
- 2.31 The new DfT rail policy position provides context to our rail strategy development work that is getting underway. This will include a fresh examination of options for new stations and potential for new or reinstated rail alignments where there is a potentially strong business case to support this.

Future of Community Rail Strategy Consultation

- 2.32 Government published a consultation on community rail policy on 6 November 2017, which is available on the Department for Transport website. This is the first time that government has sought to review the policy approach to community rail in over 10 years, during which time the scope and extent of community involvement with local lines and stations has increased significantly as the mutual benefits to both local communities and the rail industry has become clearer with experience. Community Rail Partnership designation brings formal status and funding to local community groups working alongside the rail industry and others to maximise the social and economic value of (predominately) rural and semi-rural lines that provide an important local service. The role of station ‘friends’ and adoption groups has also grown in this time, helping to bring a community focus to stations and their facilities as a community asset.
- 2.33 The consultation poses a series of questions about how community rail policy could strengthen the positive outcomes of community rail activity based on four themes; i) connecting people to places and opportunities, ii) supporting communities diversity and inclusion, iii) supporting local and regional economies, and iv) suggesting innovative ways to improve the way the railway works. The deadline for submissions to the consultation is 28 January 2018.

- 2.34 There are two formally designated community rail lines in West Yorkshire, the Penistone Line that was designated in the first round of pilot schemes in 2005, and the Bentham Line that was designated in 2012. The Penistone Line from Huddersfield to Barnsley is designated, as are all stations on the line except Huddersfield. The Bentham Line between Leeds and Morecambe / Heysham Port is designated, as are all the stations from Skipton to the west (i.e. excluding stations from Leeds to Cononley inclusive). In addition, there are a number of local user groups and station adoption groups around West Yorkshire. The Penistone Line Partnership has a long and successful history of engaging the local community with the operation of local services, providing local social benefits in terms of confidence building, mental health, charity fundraising and capacity building, as well as promoting use of the local rail services. There are now several station friends and adoption groups in West Yorkshire, with growing ambitions for bringing vacant space back into use, brightening up stations and promoting social enterprise. Notable successes include Batley, Hebden Bridge and Sowerby Bridge, amongst others.
- 2.35 The Northern franchise actively promotes community rail activity through funding to community rail partnerships as part of its franchise commitments, together with active support and promotion of new station adoption arrangements. The franchise also includes a Seed Corn Fund to help fund the delivery of projects promoted by community rail partnership and adoption groups.
- 2.36 Rail North is developing a comprehensive response to this consultation, and officers are contributing relevant local examples to this. It is proposed to circulate a draft of the Rail North response to Transport Committee members early in January for comment prior to submission of a formal endorsement of the Rail North response in the form of a letter from the Chair of the Transport Committee.

Bus Services Act Update

- 2.37 The Bus Services Act 2017 was enacted in May 2017, it expands the range of powers available to directly elected mayors and local transport authorities (LTAs) in areas in England outside of London to improve local bus services. The Act provides the following options for LTAs to adapt its approach to local circumstances
- Franchising- where the LTA issues contracts with bus operators to provide services in the area. The Act provides mayoral LTAs with “London-style” powers to franchise local bus services, application for franchise powers by non-mayoral authorities will need to be made to the Secretary of State
 - Partnership- joint arrangements between LTAs and bus operators. The Act develops the existing Quality Partnerships powers extending their scope to include matters such as fares and frequencies. Two new forms of formal partnership are established “Advanced Quality Partnership Schemes” and “Enhanced Partnerships Schemes”
- The Bus Services Act also enables data about routes, fares and times across the country available to be openly available to app developers and further facilitates smart multi modal ticketing schemes. On 27 November, the Secretary of State issued guidance on the use of the powers contained in the Act

- 2.38 WYCA adopted its Bus Strategy 2040 in August 2017 which sets out a vision for the bus system and a target to grow bus patronage by 25% over the next ten years. In Leeds, WYCA and the Council have set a target to double bus patronage within 10 years supported by the Leeds Public Transport Investment Programme. Bus 18 is an informal partnership with bus operators seeking to deliver the first stage of the strategy. The success of this initiative will determine the most appropriate use of the powers in the Bus Services Act. A detailed assessment of the DfT guidance is underway and a paper will be presented to the Committee setting out the options available to the Authority.

Young People's Bus Travel Initiatives

- 2.39 The Committee in November 2017 endorsed actions under the Bus 18 initiative to promote bus travel by young people. Consultation with young people has identified the difficulties they face in obtaining discounted bus travel if they are not in possession of a photocard. Proposals are being developed to amend the Concessionary Fare scheme to make it easier for young people. Whilst these are being developed, a "quick win" was agreed by the Bus 18 Steering Group whereby bus drivers would accept young people in school uniform as being automatically entitled to travel at concessionary prices. This arrangement became effective on 1 January 2018 following a press announcement in late December.

Transforming Cities Fund

- 2.40 The Chancellor announced in the November 2017 Budget, the 'Transforming Cities Fund' – A £1.7 billion fund to support transport investment. The fund will target projects which drive productivity by improving connectivity, reducing congestion and utilising new mobility services and technology. In the Budget, the Chancellor set out that *"half will be allocated via competition for transport projects in cities and the other half will be allocated on a per capita basis to the 6 combined authorities with elected metro mayors – £74 million for Cambridgeshire and Peterborough, £243 million for Greater Manchester, £134 million for Liverpool City Region, £80 million for West of England, £250 million for West Midlands and £59 million for Tees Valley – enabling them to invest in their transport priorities."*
- 2.41 From the information provided in the Budget, it is understood that as the focus is on 'intra' (i.e. within city) connectivity. Clearly we are at the early stages of development of a potential bid. At this stage a range of options for the bid will be considered and developed with partners from across the City Region, including bringing forwards development of the transformational projects as quickly as through the LCR HS2 Connectivity Strategy work and also considering the suitability of schemes which came forwards in the recent 'call for projects'.
- 2.42 Further information will be brought back to Transport Committee on the fund when details are announced early in the New Year.

Rail Fare Increases

- 2.43 Regulated rail fares account for around half of the fares available and include season tickets. The Government set a 3.6% increase from 2 January 2018 based upon the July 2017 Retail Price Index. Train Operating Companies set the remaining unregulated fares and have made commensurate increases. On average all rail fares increased by 3.4%.

MCard Prices

- 2.44 MCard prices are set by West Yorkshire Ticketing Company Ltd the Board of which comprises representatives of bus and rail operators and WYCA officers. The cost of MCard ticketing products increased on 2 January 2018 following a product by product review to arrive at the most effective way of maintaining demand and revenue given current inflationary pressures. Across the product range the 2.8% increase is less than the current Consumer Price Index (3.1%). The price increases for products where rail travel is included are higher in line with the national increase in rail fares. The increase in the cost of under 19 products is only 25p per week. There will be no increase in the cost of the DaySaver carnet product as this is seen as a growth market for MCard particularly amongst part time workers.

North of England Transport Awards

- 2.45 The North of England Transport Awards ceremony was held in Leeds on 30 November. WYCA and its partners were successful in winning the following awards;
- Transport Project Of The Year - CityConnect Cycle Superhighway
 - Excellence in Technology - Contactless ticketing using Bluetooth beacons and smartphones
 - Economic Productivity Project of the Year – Rail Growth Package
- WYCA and partners were also shortlisted for Combined Authority of the Year, Economic Productivity Project of the Year (Wakefield Eastern Relief Road), Excellence In Travel Information and Marketing (Temple Green Park & Ride).

3 Financial Implications

- 3.1 None directly as a result of this report.

4 Legal Implications

- 4.1 None as a result of this report.

5 Staffing Implications

- 5.1 None as a result of this report.

6 External Consultees

6.1 None.

7 Recommendations

7.1 That the updates provided in this report are noted.

8 Background Documents

8.1 None.