

Regional Transport Authority
10.30am-12.30pm on Tuesday 5 March 2019
Council Chamber, Civic Offices, Angel Street, Bridgend CF31 4WB

**STRATEGIC OUTLINE PROGRAMME FOR METRO PLUS – PHASE 1 –
PROGRAMME OF LOCAL ‘FUTURE MOBILITY’ SCHEMES**

**REPORT OF COUNCILLOR HUW DAVID, CHAIR OF THE REGIONAL
TRANSPORT AUTHORITY**

AGENDA ITEM 1

Reason for this Report

1. To provide an update on the progress of the development of a programme of activity complementing and enhancing proposed Metro and Metro Central investments - called Metro Plus.
2. To request that Members formally support and endorse the actions approved by Regional Cabinet on 18th February 2019, following the informal workshop of the RTA where Members informally agreed the way forward as outlined in the attached Joint Cabinet Report (Appendix 1).

Metro Plus to Date

3. Members considered the option for the development of a Metro Plus Programme at its informal workshop on 5th February 2019. This workshop led to a formal, joint funded proposal being submitted to Welsh Government for a Metro Plus Programme which represents forward thinking on the future of mobility. The proposal included a first phase of Metro Plus schemes that could add value much sooner than the Metro timescale and could set a standard and expectation around what ‘really good’ complementary infrastructure development could look like – linked to the Metro vision.
4. The proposed package of Phase 1 schemes totalling some £50m, was presented to Joint Cabinet on 18th February 2019 with recommendations to:
 - a. agree in principle to Metro Plus, a programme of activity as set out in the report at Appendix A, which is designed to complement and enhance the Metro and proposed Metro Central schemes, to be further developed and supported by the Regional Transport Authority;
 - b. agree to further develop the proposals for the ten schemes comprising Phase 1 of the Metro Plus Programme (Programme of Local Future Mobility Schemes, set out in appendix 4) (including a fit for future plan for establishing comprehensive Electric Vehicle infrastructure) through the development and application of a Common Assessment Framework;

- c. To approve up to £75,000 from the Wider Investment Fund (Project Support budget) to develop the business case and further the work on the Low Emission Vehicle Strategy; Infrastructure Income Modelling and charging infrastructure for taxis;
- d. Endorse the action taken in submitting the Local Transport Fund Bid to Welsh Government on 18 January (Appendix 6); and
- e. To note that should it not prove possible to secure the full required co-investment from WG, of £15m – a further report will be brought back to Regional Cabinet, to set out options through which to progress the scheme.

Due to timings of the formal CCRTA and Joint Cabinet meetings, it was not possible to ask the CCRTA for formal support and endorsement of the Metro Plus proposal prior to Joint Cabinet making a decision. However, the CCRTA had considered the proposal in its informal meeting on 5th February 2019 prior to Joint Cabinet. Therefore, this report seeks to formalise its actions.

Financial Implications

5. The Joint Cabinet has agreed an allocation of £75,000 to develop the strategy and business case (including associated due diligence work) for Phase 1 of the Metro Plus Programme. This sum will be met from within the Programme Development & Support budget, proposed for financial year 2019/20. 10. The Joint Cabinet Report (Appendix 1) outlines that the projected capital cost of Phase 1, could be in the region of £50 million. An application has been made to the Welsh Government's Local Transport Fund for £4.1 million of funding for 2019/20, with indicative allocations over the following 2 years to make up the £15m WG contribution (Appendix 6). Around £20 million of the cost envelope is expected to be secured locally, from various sources, as outlined within the body of the report in Appendix 1.
6. The JWA 5 Year Business Plan contains capital funding allocations in respect of the WIF over the period to 2020/21. There are sufficient uncommitted resources available to meet the in-principle commitment. The WIF Funding Strategy will need to be updated to capture this commitment, along with updates from other approved projects, in order to re-profile the funding requirements over this period.
7. Joint Cabinet agreed to development of a 'Common Assessment Process', which will enable business cases to be developed in a comprehensive, but streamlined way, initially testing for 'strategic fit' and then progressing through a series of gateways which seek to demonstrate the core 'economic', 'deliverability' and 'affordability' aspects of each proposed project. Such an approach will facilitate individual proposals coming forward for assessment and approval, as soon as they are in a position to do so, and not be constrained by the 'pace of the slowest'. All schemes will be required to comply with the WeITAG Process to secure public sector funding.
8. In this regard it is important that the provisions of the WIF Assurance Framework are followed, as this is a key requirement of the City Deal Funding Terms & Conditions. This sets out that business cases will be developed in line with HM Treasury Green Book (5 Case Model), although, clauses 3.5 (Appraisal Framework) and 3.7 (Business Case Development), make an important reference to the concept of 'proportionality'.
9. Work is being done with external advisors (Local Partnerships) to better understand how the issue of proportionality can be addressed through the development of a variety of approaches linked to project value, complexity and timelines. These approaches will need to be predicated on the principles (and robustness) delivered through the 5 Case Model, with proposals undergoing the

necessary consultation with key stakeholders. This latter point is important to demonstrate good governance, whilst ensuring the risk of non-compliance with Funding Terms & Conditions is minimised.

10. In addition, the terms and conditions attached to the Welsh Government's Local Transport Fund contribution will also need to be complied with. The development and delivery of Metro Plus will need to comply with the WeITAG process, which is common to transports schemes seeking Welsh Government approval and funding.
11. A further report will be brought back to Regional Transport Authority to provide an update on the outcome of the Welsh Government funding application. That report will also need to provide an update on the development of a Common Assessment Framework, project business cases and the cumulative value of funding secured locally.
12. Any funding awarded from the Welsh Government from its Local Transport Fund will need to be spent by 31st March 2020.

Legal Implications

13. Appendix 1 sought authority from Joint Cabinet for further work to be carried out to develop proposals for Metro Plus. When developing proposals for individual projects, the provisions of the Joint Working Agreement in relation to the delivery of the Cardiff Capital Region City Deal ('the JWA'), (in particular the provisions of the Assurance framework), and the terms attaching to the funding provided by HMT to the CCRCDC must be complied with. To ensure compliance with the JWA, business cases will be developed for each scheme and the approach taken will be Consistent with the HM Treasury Green Book and business case appraisal process, applied in a manner that is proportionate to the scheme in question. The JWA and funding conditions further provide that the 'purposes' for which CCRCDC monies are used must accord with those set out in the JWA Business Plan (the CCR City Deal 5 year Strategic Business Plan Wider Investment Fund) . The JWA Business Plan provides that 'to maximise the potential benefits of the Metro to the region the Regional Cabinet are exploring a programme of complimentary transport investment, Metro plus'. Appendix 1 details the proposed complimentary transport investment.
14. It is noted that third party funding is required for the phase 1 schemes to be implemented and pointing out the obvious decisions to implement the proposed schemes should not be sought until the required funding is secured. There is risk that expenditure on developing the metro plus proposals could provide abortive if, amongst other matters, the third party funding were not secured and the schemes do not progress. That said funding could not be secured without the business cases being developed so the risk of abortive costs incurred in developing a business case is not unique to the metro plus scheme. Consideration should be given to any conditions attached to such third party funding to ensure that CCRCDC is able to comply with the same. 20. In developing the business cases, detailed legal advice should be obtained for each proposed scheme, including consideration to any consents/ permission required to facilitate the scheme.

Wellbeing of Future Generations (Wales) Act 2015

15. The Well-Being of Future Generations (Wales) Act 2015 requirements are laid out in the report submitted to Joint Cabinet (Appendix 1).

RECOMMENDATIONS

The Cardiff Capital Region Regional Transport Authority is asked to note, formally

support and endorse the actions taken by the Joint Cabinet in its meeting on 18th February 2019 and which are detailed in the Report at Appendix 1.

Roger Waters
CCRTA Lead Director
5 March 2019

The following Appendices are attached:

- Appendix 1 Joint Cabinet Report 18 February 2019 - Strategic Outline Programme for Metro Plus – Phase 1 – Programme of Local ‘Future Mobility’ Schemes
- Appendix 2 Redstart Report – Appraisal of RTA Metro Plus Programme
- Appendix 3 Cenex Report - Metro Infrastructure Review (Ev)
- Appendix 4 Local Scheme Summary
- Appendix 5 Map of Proposed Schemes
- Appendix 6 Wellbeing of Future Generations Assessment
- Appendix 7 CCR Submission to Local Transport Fund WG