

Tyne and Wear Local Sustainable Transport Fund Large Project Business Case

Addressing the barriers that transport creates
to economic growth and accessing
employment



Creating Growth, Cutting Carbon



Local Sustainable Transport Fund

Tyne and Wear financial case

Tyne and Wear Integrated Transport Authority
Local Sustainable Transport Fund large project application
Financial Case



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1. Introduction

1.1 This document sets out the Financial Case for the Tyne and Wear Local Sustainable Transport Fund bid. It sets out evidence on financial sustainability, project costs and affordability. It also provides detail on local contributions to the bid.

1.2 The Financial Case is one of five elements forming the overall Business Case for the project. The other elements of the Business Case are:

- strategic case;
- economic case;
- commercial case; and
- management case.

1.3 The Financial Case comprises the following sections:

- cost estimates;
- local contributions;
- cost breakdown;
- financial sustainability; and
- Section 151 officer sign off.



2. Cost Estimates

Approach

2.1 The approach towards the treatment of scheme costs has drawn on the approach set out in WebTAG unit 3.5.9. This includes:

- the establishment of appropriate base costs;
- including an appropriate allowance for inflation;
- undertaking a Quantified Risk Assessment on the estimated costs.

Establishing Base Costs

2.2 The proposed package covers a wide variety of different types of measure, ranging from capital investment in infrastructure to provision of bus services and more general marketing and promotional activity. Estimates of base costs for each type of activity were established either through:

- direct comparison with similar projects elsewhere;
- identifying the individual components of the project, and the likely costs of these.

2.3 For capital investment in highway infrastructure and other highway related activity, cost estimates were developed based on previous local authority experience in delivering similar measures as part of their Local Transport Plan and other investment programmes. This included use of:

- Preliminary design and other available estimates on larger schemes;
- Previous experience and initial assessment of local needs for more general, minor works estimates.

2.4 The cost of revenue and other non-highway based spend was estimated from a number of available sources. These ranged from nationally documented research, where this was considered relevant to the local context, and practical experience of similar measures operating locally. Other sources of estimates include:

Access to key employment/growth sites (general)

- Bus services – operator estimates based on knowledge of operating costs, proposed timetables and patronage estimates;
- Travel planning – experience of costs associated with existing area based travel planning initiatives delivered locally;
- Smarter working/working from home – based on previous experience of a similar regional project;



- Driver efficiency training – various cost assumptions were considered and the assumptions used were taken from the DfT Carbon Reduction Strategy¹;
- Cycling – based on experience of costs associated with existing area based travel planning initiatives and information from potential delivery bodies such as Sustrans and Pscylesurgery.

Reducing congestion on main transport corridors

- Travel information –based on information from other UTMC centres around the country applying similar technologies;
- Car clubs – provided by local car club operator;
- Cycling – costs of cycle parking at Metro stations prepared by Nexus, based on existing experience.

Getting people back to work

- Independent travel initiative – estimate provided by an experienced advisor on independent travel;
- Cars/scooters to work – provided by a community interest company operating a similar operation in East Durham;
- Low cost cycle to work scheme - based on experience of costs associated with similar initiatives, as provided by potential delivery bodies such as Recyke Y Bike and Sustrans;
- Central function - based on experience with ICT projects of a similar scale.

Supporting measures

- Information, publicity and promotion estimates were based on local experience and reference to the Sustainable Travel Demonstration Towns projects;
- Tyne and Wear Sustainable Travel Office –provided by Newcastle City Council based on their experience in developing their own successful travel office;
- Bus real time passenger information – provided by Nexus and based on soft market testing;
- Project management – based on internal advice provided by project management support.

¹ Department for Transport Low Carbon Transport: A Greener Future A Carbon Reduction Strategy for Transport, July 2009



Inflation Assumptions

2.5 Inflation assumptions have been taken from forecasts for retail price increases (RPI)². These are:

2012/13-2013/14	3.1%
2013/14-2014/15	3.3%

2.6 The above assumptions have been applied as appropriate to both capital and revenue costs. In addition, the following are assumed:

- There will be no increases in real costs above the predicted rate of inflation. This is in accordance with WebTAG Unit 3.5.9, s2.1.2;
- There will no difference between national and local inflation. No reason has been identified to assume there will be any such difference.

2.7 The principal exception to the above relates to the costs of providing for new bus services. The cost of these has risen at a rate above inflation in recent years and as a result, a higher annual inflation figure of 4.2% has been adopted. This has been based on advice from local bus companies, who we expect, will be bidding to supply the services and will have to compete on price.

2.8 Inflation assumptions are included in the cost estimates provide. Figures in the 'allowance for inflation' row in table 3.1 are already included in individual project costs.

Quantified Risk Assessment (QRA)

2.9 In preparing the quantified risk assessment, we have followed the recommendations of section 3.5.9 of WebTAG which suggests that 'any risk assessment should be commensurate to the size and the stage of development of the project' and 'the amount of time and resources that are devoted to quantifying risks should relate to their likely materiality'.³

2.10 No individual scheme within the package exceeds £5m, and in most cases the risk factors can be successfully mitigated by strong and effective programme management. Therefore, a high level approach to quantifying the risks has been deemed appropriate. A number of the risks identified, while they would potentially have a financial impact on the partners or in terms of future grant allocations, do not have a direct financial impact on the LSTF package itself. No attempt has been made to quantify the impact of these risks, since they are outside the scope of this programme.

² Forecasts for the UK economy: a comparison of independent forecasts, HM Treasury, August 2011

³ WebTAG, Unit 3.5.9: The Estimation and Treatment of Scheme Costs, 3.2.10; 3.3.21.



We have sought advice from our own Risk Advisor who acknowledges this approach should be acceptable for activities in this programme.

Approach taken to QRA

2.12 A workshop was held with key individuals involved with the bid process to identify the key risks associated with the project, determine their likelihood and materiality, and suggest controls which could be put in place to mitigate these risks. This forms the basis of the risk register included within the Management Case (section 4).

2.13 Each risk has been assigned a likelihood rating, which is expressed in terms of a percentage. This has been multiplied by the estimated financial value of the risk occurring, to give an expected value. The sum of these expected values forms the total included in the financial case as the 'cost of risks identified in quantified risk assessment'. The cost of risk identified is tapered so it is higher at the beginning of the programme and lower towards the end, to reflect the reduction in risk that will naturally occur as time-related uncertainties decrease and controls to mitigate risk are more firmly embedded.

Table 2.1 is the risk register with QRA.



3. Cost Breakdown for Bid

3.1 **Table 3.1** shows the breakdown of costs for our large bid proposal.

3.2 As requested by DfT the bid is scaleable in nature as it is made up of many constituent parts or projects. However, we are confident our proposals complement each other and there are synergistic benefits or outcomes to be gained by implementing the entire programme. Annex 1.



4. Local Contributions

4.1 The bid package is supported by significant levels of local contributions from both the private and public sector. Local contributions to the LSTF bid (including the Key Component project) total some £15m.

Public sector local contributions

4.2 A strategic view has been taken by the ITA of the importance of such contributions in demonstrating local commitment to the LSTF bid. Local authorities in Tyne and Wear have committed to funding at least 25% (and in some cases significantly more) of highway related capital works within the package and will be allocating funds to this as part of their forthcoming LTP programmes.

4.3 In addition to the above, other sources of public sector local contribution include:

- s106 and other financial contributions from developers. The proposed use of these includes part funding of capital improvements at Cobalt Business Park, Newcastle Great Park, and support for additional promotional work at Team Valley;
- other public sector partners. The Key Component project has been successful in attracting funding from the health sector, while the large project bid for travel information (ref 3.2) includes substantial in kind contribution from Newcastle University relating to monitoring of traffic related air quality problems;
- dedication of staff time and other 'in kind' support to the project. Experience from the Key Component project highlights the need to devote significant resources to setting up and managing LSTF projects.

Private sector local contributions

4.4 In preparing the bid, the Tyne and Wear Integrated Transport Authority has been committed to engaging with private sector partners. Organisations were invited to provide ideas from an early stage in the process and their views taken into account in developing the proposals. We are committed to working closely with private sector organisations in the delivery of the package, drawing on their experience of successful improvement measures, and overcoming barriers to sustainable access to employment sites.

4.5 This strategy has resulted in our securing £4.2m of private sector local contributions. Only those amounts which have a substantial degree of certainty have been identified within the bid, but there is the potential for significant additional private sector contributions to be achieved as the package is implemented. The local contributions take the form of both cash contributions and in-kind support.



4.6 **Table 4.1** gives a breakdown of the source of the local contributions associated with the large project (excluding key components). **Table 4.2** gives a detailed breakdown of the local contribution associated with the key components activity.

4.7 A significant element of the private sector support shown in Table 4.1 (£3.3m) has not been broken down in any detail. This reflects commercial sensitivities relating to contributions from individual developers and business parks who, while all similarly committed to the bid, are also in competition with each other. More detailed information on this, including letters of support from the private sector organisations who have committed to providing local contributions is available on request.

4.8 Identified local contributions only covers commitments for which there is a substantial degree of certainty. It is expected that significant additional funding will be identified and brought forward from other sources to reinforce the package as it is implemented. For example:

- An additional £133k contribution to the Key Component project has already been secured from Sunderland PCT (and is included in Table 4.2);
- £420,000 s106 developer contributions have been agreed at Gateshead Quays but have not yet been received;
- £15,000 developer contributions at Team Valley have been agreed but not yet paid;
- similar agreements associated with other developments elsewhere For example Great Park and Science Central developments in Newcastle;
- the procurement process described in the Commercial Case will seek to maximise value for money in delivering projects. A number of possible delivery bodies have already indicated a willingness to provide an element of their own local contribution to some measures.

4.9 Although not all the above may be realised, it is clear that potential exists for a far greater level of local contribution to the package exists than is shown in Table 4.1. As an example, £500,000 is available for cycle infrastructure improvements at the Great Park, yet only £150,000 have been committed as match funding in this bid, as we can deliver this value of infrastructure during the two and half years of LSTF with some degree of certainty. However, this may be an underestimate of what we actually deliver on the ground.

4.10 In addition to the above, several elements of the proposals build upon and add value to substantial investment from other sources. Particular examples include:

- the travel information project, which builds directly on £2.5m investment in the Tyne and Wear UTMC system;
- bus real time travel information, complementing the £10 million investment in the North East Smart Ticketing Initiative (NESTI);
- ticketing promotion using smartcards such the Nexus 'POP' card similarly build on the NESTI initiative;



- the provision of secure cycle parking at Metro station builds on the major (£300 million) investment in reinvigoration of the Metro network;
- sustainable transport infrastructure programmes, notably the LTP, which complement extensively the LSTF measures even where they are not formally counted as local contributions.



5. Financial sustainability

5.1 The core of the LSTF package is the development of focused area based packages aimed at tackling the economic and environmental problems of transport in Tyne and Wear's main employment areas. We aim to harness and build upon an existing model already established in a number of areas, notably Quorum, Cobalt and Team Valley and embrace this approach in a newly formed Travel Planning Delivery Group, chaired by the private sector partners.

5.2 The application of an existing successful approach is considered the best basis for promoting the longer term sustainability of the LSTF initiatives. Building support among local business and developers through the delivery of sustainable transport measures has been shown to be an effective approach in existing areas, resulting in ongoing private sector commitments to funding in them. In addition, the increased staff productivity and reduced costs for business stemming from the LSTF measures should help further build support for their continuation. The securing of such support as the means to underpin continued funding will be a central aim of travel planning activity in those employment areas to which the approach is to be extended.

5.3 As a focus for future development, the main employment areas also have significant potential to raise additional funding through further s106 and Community Infrastructure Levy income. In developing individual local authorities' proposals for use of future developer income, the ability to demonstrate the effectiveness of LSTF measures in helping to attract and bring forward development will be important in making the case for the continuation of the approach. Additional contributions already secured in principle, as outlined in section 4.8 above, demonstrate the very significant potential to provide further funding to support the package measures.

5.4 Effective monitoring and evaluation (see Management Case Section 6 and Commercial Case), linked to marketing and promotion activity, will ensure that the case for continued intervention can be made. Appropriate case studies will be identified and the impacts of activity disseminated to ensure that the case for continued funding is made.

5.5 While the above are all aimed at ensuring continuing support for the central activity associated with the package, uncertainties over the potential levels of future funding remain inevitable. The inherent scalability of many of the measures proposed within the package means they are readily adaptable to different levels of funding.

5.6 Some projects have been developed with the aim of generating income, which will further support their long term viability. These include:

- new bus services, which have only been included where they are intended to become commercially viable by the end of the LSTF;
- Tyne and Wear Sustainable Travel office;



- Improved driving techniques;
- Cars/scooters to work.

5.7 Several projects have the potential to become self-sustaining on a more informal basis, for example:

- Increasing the numbers of cyclists in the main employment areas will mean that on road cycling and cycle repair skills will become more widely disseminated among employees, thereby developing an internal community and local 'champions' able to promote cycle use, campaign for improved provision, and provide assistance and support to new cyclists;
- Similarly, the cycling elements of the key component travel to school project are aimed at embedding a cycling 'culture' within schools. The 'Feat 1st' project (Key Component activity) is aimed specifically at developing this further by embedding such a culture in the wider community.

5.8 Even should specific measures have to be curtailed or wound down altogether because of limited funding following the LSTF period, it is important to emphasise that the benefits delivered by them will not be lost. Outputs of lasting benefit include:

- Greater awareness of sustainable travel needs and opportunities;
- Improved business efficiency of local business through smarter working and better driving techniques;
- Improved cycling skills and knowledge for employees across Tyne and Wear and the establishment of 'cycling champions' in specific areas;
- Independent travel skills for disabled individuals;
- A 'step up' to long term employment for those benefitting from ticket discounts or vehicle/cycle hire;
- Improved skill levels for those participating in the low cost cycle to work scheme.

5.9 LSTF funding will create a number of additional local authority assets, for example through new cycle routes and the development of the travel information elements as part of the UTMC system. Future maintenance of these will be as part of the local authority transport asset base.

5.10 The approach towards procurement outlined in the Commercial Case will ensure that any contracts let to third parties are limited to available funding, and avoid creating potentially unfunded liabilities for the ITA. They will also be readily capable of extension or re-letting, if funding to expand or extend projects is identified.



6. Section 151 signoff

6.1 As Section 151 Officer for Tyne and Wear Integrated Transport Authority I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that Tyne and Wear Integrated Transport Authority has the intention and means to deliver this scheme on the basis of its proposed funding contribution above, as well as meeting any ongoing revenue requirements on the understanding that no further increase in DfT will be considered beyond the contribution requested.



Table 2.1 – Risk Register with QRA (See Annex 1)

Table 2.1 - Quantified Risk Assessment												
Risk Identification					QRA				Split financial years			
Ref and Date Raised	Risk Title	Opportunities and Threats (Risks)	Risk Owner	Risk Manager	Likelihood	Explanation for likelihood rating	Estimated Financial Impact on Programme (£m)	Explanation for financial impact	Expected Value (£m)	2012/13 (£m)	2013/14 (£m)	2014/15 (£m)
FINANCIAL												
LSTF1 16/09/11	Underspend of funding	LSTF programme fails to spend in year allocation which may result in clawback, loss of funding and loss of confidence by funding body in ability to deliver future funding	Paul Woods	Eleanor Goodman	30%	Likelihood classed as medium due to tight timescales involved and time taken to get projects off the ground at beginning of the programme.	1.60	Based on a 10% clawback of DfT funding	0.490	0.240	0.144	0.096
LSTF2 16/09/11	Overspend of funding	LSTF programme overspends against allocation resulting in unfunded activity and budgetary pressures for individual authorities.	PW	EG	20%	Likelihood classed as low. Many project scalesable - therefore if there is a danger of overspend they can be reduced to mitigate this.	0.35	Local experience shows an overspend of 5% on capital projects is not unusual. Therefore 5% on total capital cost estimated.	0.070	0.035	0.021	0.014
LSTF3 16/09/11	Local contributions	Budgetary pressures may lead to agreed local contributions being cut which may negatively impact upon delivery of the programme, lead to conflict between match funders and increase budgetary pressures for	PW	EG	20%	Likelihood classified as low. Local contributions only included where these have a high level of security of funding and partners have shown commitment to programme.	1.49	Based on additional local contributions of 15% having to be found.	0.299	0.149	0.090	0.060
LSTF4 16/09/11	Grant conditions	Failure to comply with grant conditions which may result in clawback of funding and loss of confidence by funding body in ability to deliver future programmes / projects.	PW	EG	20%	Likelihood classed as low. All partners made aware of grant conditions and have signed up to adhere to these. All expenditure claims submitted will be reviewed and based on evidence of	1.60	Based on a 10% clawback of DfT funding	0.320	0.160	0.096	0.064
SERVICE DELIVERY												
LSTF5 16/09/11	Failure to deliver outcomes and outputs	LSTF programme fails to deliver the required outcomes and outputs which may result in clawback of funding, loss of confidence by funding body in ability to deliver future programmes / projects	Nick Clennett	Jessica Anderson	20%	Likelihood classified as low - measures designed into the package are achievable and based on local evidence. Effective monitoring of the programme will mean early intervention	1.60	Based on a 10% clawback of DfT funding	0.320	0.160	0.096	0.064
LSTF6 16/09/11	Delivery partners	(External) delivery partners do not have sufficient and appropriately skilled resources and capacity to deliver the programme which may result in outcomes and outputs not being delivered, clawback of funding and criticism	NC	JA	20%	Classified as low - partners will be chosen based on their skills, resources and capacity.	0.58	Financial impact would arise if additional expertise had to be bought in to support the programme. Estimated 10% of total cost of projects to be delivered through external	0.115	0.058	0.036	0.023
LSTF7 06/12/11	Capacity of LTP partners	(Internal) delivery partners do not have sufficient and appropriately skilled resources and capacity to deliver the programme which may result in outcomes and outputs not being delivered, clawback of funding and criticism from stakeholders.	NC	JA	10%	Classified as very low.	0.09	Financial impact would arise if additional expertise had to be bought in to support the programme. Estimated 10% of total cost of projects to be delivered by LTP Partners.	0.009	0.045	0.027	0.018
LSTF8 06/12/11	Design and Construction Risks	Schemes may run in to problems at consultation stage or construction stage	NC	JA	10%	Classified as very low.	1.25	Financial impact would arise if additional expertise had to be bought in to support the	0.245	0.123	0.074	0.049
REPUTATIONAL												
LSTF9 16/09/11	Take up on projects	The programme and projects generate more demand than it can meet which may result in disgruntled stakeholders criticising the programme.	NC	JA	20%	Estimated as low. Likely demand taken into account in developing bid proposals.	1.60	Financial impact would arise if additional resources had to be allocated to support projects. Estimated 5% of programme total.	0.320	0.160	0.096	0.064
OBJECTIVES												
LSTF10 16/09/11	Partnership working	Partners fail to agree on the arrangements for funding, resourcing, managing and delivering the programme.	NC	Gary MacDonald	20%	Classified as low. Expectations and arrangements set out at beginning of the programme	0.97	Partner withdrawing could lead to remaining partners having to put in additional resources	0.193	0.097	0.058	0.039
PROCUREMENT												
LSTF11 06/12/11	Value for Money	Partners fail to deliver value for money for the programme which may result in partners withdrawing support, criticism from partners and DfT.	NC	JA	20%	Classified as low.	0.97	Partner withdrawing could lead to remaining partners having to put in additional resources. Estimated 10% of total local contribution.	0.193	0.097	0.058	0.039
LSTF12 06/12/11	Contractor Failure	A contractor goes into administration leading to withdrawal of service and disruption to project.	NC	JA	20%	Classified as low. Contractor failure is possible given economic climate, but procurement process builds in assessment of financial standing of contractors.	1.60	Experience of projects where this situation has occurred indicates it can lead to additional costs of c.5% in retendering process, meeting costs of subcontractors etc. 5% of project costs included.	0.320	0.160	0.096	0.064
									2.965	1.482	0.889	0.593



Table 3.1 – LSTF package cost breakdown

£m	2011/12	2012/13	2013/14	2014/15	Total
<u>1. Access to key employment/growth sites - area specific</u>					
1.1 Northern Employment Hub - Balliol, Gosforth and Quorum Business Parks					
DfT revenue		0.000	0.000	0.000	0.000
DfT capital		0.006	0.165	0.000	0.171
Local contribution		0.153	0.123	0.073	0.349
Total		0.159	0.288	0.073	0.520
1.2 Northern Employment Hub - Cobalt Business Park, Silverlink Retail Park and Tyne Tunnel Trading Estate					
DfT revenue		0.243	0.172	0.100	0.514
DfT capital		0.070	0.046	0.000	0.116
Local contribution		0.490	0.415	0.290	1.195
Total		0.803	0.633	0.390	1.826
1.4 Northern Employment Hub - Newcastle City Centre and Gateshead Quays					
DfT revenue		0.050	0.103	0.103	0.257
DfT capital		0.245	0.462	0.360	1.068
Local contribution		0.185	0.280	0.330	0.795
Total		0.480	0.846	0.794	2.119
1.5 Northern Employment Hub - Port of Tyne and Bede Industrial Estate					
DfT revenue		0.000	0.000	0.000	0.000
DfT capital		0.000	0.180	0.129	0.310
Local contribution		0.000	0.050	0.025	0.075
Total		0.000	0.230	0.154	0.385
1.6 Northern Employment Hub - South Shields Town Centre					
DfT revenue		0.000	0.000	0.000	0.000
DfT capital		0.000	0.103	0.271	0.375



£m	2011/12	2012/13	2013/14	2014/15	Total
Local contribution		0.000	0.025	0.088	0.113
Total		0.000	0.128	0.359	0.487
1.7 Northern Employment Hub - Team Valley					
DfT revenue		0.270	0.159	0.119	0.548
DfT capital		0.025	0.050	0.050	0.125
Local contribution		0.028	0.055	0.055	0.138
Total		0.323	0.264	0.224	0.811
1.8 Southern Axis - City of Sunderland and Washington corridor					
DfT revenue		0.323	0.262	0.110	0.695
DfT capital		0.131	0.363	0.306	0.799
Local contribution		0.033	0.127	0.105	0.264
Total		0.487	0.751	0.520	1.758
1.9 Southern Axis - Doxford Park					
DfT revenue		0.000	0.000	0.000	0.000
DfT capital		0.038	0.075	0.075	0.188
Local contribution		0.011	0.029	0.023	0.063
Total		0.049	0.104	0.098	0.250
<u>2. Access to key employment/growth sites - general measures</u>					
2.1 Travel planning					
DfT revenue		0.401	0.825	0.827	2.053
DfT capital		0.000	0.000	0.000	0.000
Local contribution		0.000	0.000	0.000	0.000
Total		0.401	0.825	0.827	2.053
2.2 Smarter working / work from home					
DfT revenue		0.070	0.170	0.171	0.411
DfT capital		0.000	0.000	0.000	0.000
Local contribution		0.000	0.000	0.000	0.000
Total		0.070	0.170	0.171	0.411



£m	2011/12	2012/13	2013/14	2014/15	Total
2.3 Driver Efficiency Training					
DfT revenue		0.060	0.124	0.124	0.308
DfT capital		0.000	0.000	0.000	0.000
Local contribution		0.000	0.000	0.000	0.000
Total		0.060	0.124	0.124	0.308
2.4 Cycling					
DfT revenue		0.145	0.299	0.300	0.744
DfT capital		0.202	0.000	0.000	0.202
Local contribution		0.000	0.000	0.000	0.000
Total		0.347	0.299	0.300	0.946
<u>3. Reducing congestion on main transport corridors</u>					
3.2 Travel information					
DfT revenue		0.000	0.004	0.007	0.011
DfT capital		0.060	0.428	0.233	0.721
Local contribution		0.220	0.335	0.215	0.770
Total		0.280	0.767	0.454	1.501
3.3 Car clubs					
DfT revenue		0.297	0.211	0.239	0.747
DfT capital		0.015	0.015	0.005	0.035
Local contribution		0.042	0.081	0.039	0.161
Total		0.354	0.306	0.283	0.943
3.4 Cycling					
DfT revenue		0.000	0.000	0.000	0.000
DfT capital		0.250	0.330	0.278	0.858
Local contribution		0.070	0.140	0.140	0.350
Total		0.320	0.470	0.418	1.208
<u>4. Getting People Back to Work</u>					
4.1 Journey Planner for Job Seekers					
DfT revenue		0.010	0.021	0.021	0.051
DfT capital		0.000	0.000	0.000	0.000
Local contribution		0.000	0.000	0.000	0.000



£m	2011/12	2012/13	2013/14	2014/15	Total
Total		0.010	0.021	0.021	0.051
4.2 Independent travel initiative					
DfT revenue		0.050	0.103	0.103	0.257
DfT capital		0.000	0.000	0.000	0.000
Local contribution		0.000	0.000	0.000	0.000
Total		0.050	0.103	0.103	0.257
4.3 Cars / Scooters to Work					
DfT revenue		0.100	0.021	0.021	0.141
DfT capital		0.000	0.000	0.000	0.000
Local contribution		0.000	0.010	0.010	0.020
Total		0.100	0.031	0.031	0.161
4.4 Low cost cycle to work scheme					
DfT revenue		0.036	0.028	0.028	0.092
DfT capital		0.015	0.000	0.000	0.015
Local contribution		0.037	0.075	0.075	0.187
Total		0.088	0.103	0.103	0.294
<u>5. Supporting measures</u>					
5.1 Tyne and Wear Sustainable Travel Office					
DfT revenue		1.198	0.263	0.271	1.731
DfT capital		0.000	0.000	0.000	0.000
Local contribution		0.220	0.060	0.060	0.340
Total		1.418	0.323	0.331	2.071
5.2 Bus Real Time Passenger Info					
DfT revenue		0.000	0.000	0.000	0.000
DfT capital		0.250	0.361	0.177	0.788
Local contribution		0.216	0.216	0.216	0.647
Total		0.466	0.577	0.392	1.435
5.3 Access to primary local centres					
DfT revenue		0.071	0.117	0.118	0.305
DfT capital		0.000	0.000	0.000	0.000
Local contribution		0.058	0.117	0.117	0.292



£m	2011/12	2012/13	2013/14	2014/15	Total
Total		0.129	0.234	0.235	0.597
5.4 Information, publicity and promotion					
DfT revenue		0.110	0.226	0.227	0.563
DfT capital		0.000	0.000	0.000	0.000
Local contribution		0.025	0.050	0.050	0.125
Total		0.135	0.276	0.277	0.688
5.5 Project management					
DfT revenue		0.175	0.361	0.362	0.898
DfT capital		0.000	0.000	0.000	0.000
Local contribution		0.375	0.600	0.600	1.575
Total		0.550	0.961	0.962	2.473
5.6 private sector match funding					
DfT revenue		0.000	0.000	0.000	0.000
DfT capital		0.000	0.000	0.000	0.000
Local contribution		0.420	0.882	0.903	2.204
Total		0.420	0.882	0.903	2.204
<u>3.1 Key component (already funded)</u>					
DfT revenue	0.232	0.939	1.102	1.131	3.404
DfT capital	0.21	0.44	0.425	0.425	1.500
Local contribution	2.679	0.87	0.89	0.89	5.329
Total	3.121	2.249	2.417	2.446	10.233
Totals					
Total package cost (entire project) - excluding local contributions	0.442	6.355	7.572	6.690	21.059
Total revenue (entire project)	0.232	4.548	4.569	4.381	13.729
Total capital (entire project)	0.210	1.807	3.003	2.309	7.330
Total DfT funding requested (for this bid only) - excl KC	0.000	4.976	6.045	5.134	16.155
Total local contribution (including any contribution made to the key component bid)	2.679	3.451	4.559	4.302	14.990
Allowance for inflation	0.000	0.000	0.150	0.151	0.301



£m	2011/12	2012/13	2013/14	2014/15	Total
Cost of risks identified in quantified risk assessment (QRA)	0.000	1.482	0.889	0.593	2.965



Table 4.1 – LSTF source of local contributions (excl KC)

Source of Local Contribution	Value (£k)
Bus operators	647.12
DB Regio	45.00
delivery partner	368.00
Freight Partnership	50.00
Gateshead Council	150.00
Gateshead LTP	512.50
Gateshead S106	75.00
LTP top-slice	450.00
Newcastle City Council	375.00
Newcastle LTP	330.00
Newcastle S106	150.00
Newcastle University	240.00
Nexus	645.00
North Tyneside Council	150.00
North Tyneside LTP	200.00
North Tyneside S106	325.00
private sector support	3,292.90
South Tyneside Council	150.00
South Tyneside LTP	280.00
Sunderland City Council	150.00
Sunderland LTP	294.00
Town Centre Mgt / in kind / volunteers / estimated regeneration contribution	251.50
UTMC facility	530.00
Total	9,661.02



Table 4.2 – LSTF source of local contributions for KC

Source of Local Contribution	Value (£k)
Department for Health	9.00
Districts	2,960.50
Gateshead	81.00
LTP top-slice	1,042.50
Nexus	140.00
PCTs	153.00
Sustrans	943.00
Total	5,329.00



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Annex 1: Risk Register with Quantified Risk Assessment