

SCR - TRANSPORT AND THE ENVIRONMENT BOARD

MINUTES OF THE MEETING HELD ON:

THURSDAY, 7 JANUARY 2021 AT 10.00 AM

VIRTUAL MEETING



Present:

Councillor Chris Read (Co-Chair)	Rotherham MBC
Peter Kennan (Co-Chair)	Private Sector LEP Board Member
Councillor Denise Lelliott	Rotherham MBC
Councillor Chris Lamb	Barnsley MBC
Karen Beardsley	Private Sector LEP Board Member
Sarah Norman	Barnsley MBC
Mark Lynam	MCA Executive Team
Councillor Abdul Khayum (Reserve)	Sheffield City Council

In Attendance:

Colin Blackburn	Assistant Director - Housing, Infrastructure and Planning	MCA Executive Team
Sue Sykes	Assistant Director - Programme and Performance Unit	MCA Executive Team
Steve Davenport	Principal Solicitor & Monitoring Officer	MCA Executive Team/SYPTE
Jenny Holmes	Interim Assistant Director for Strategic Transport	MCA Executive Team
Pat Beijer	Director of Transport Operations	
Anita Dell	Communications Officer	MCA Executive Team
Charli Taylor	Projects and Contracts Team Leader	MCA Executive Team
Mike Thomas	Senior Finance Manager/ Deputy S73 Officer	MCA Executive Team
David Whitley	Senior Programme Manager	MCA Executive Team
Alex Linton		LTP
Gillian Richards (Minute Taker)		

Apologies:

The Chair welcomed everyone to the meeting.

Apologies were notes as above.

2 Declarations of Interest by individual Members in relation to any item of business on the agenda.

None.

3 Urgent items / Announcements

None.

4 Public Questions of Key Decisions

None.

5 Minutes of the last meeting

RESOLVED – That the minutes of the meeting held on 4th September 2020 be agreed as a true record.

6 Terms of Reference & Meeting Arrangements

A report was submitted which summarised the governance arrangements for the Transport and Environment Board, approved by the Mayoral Combined Authority on 21st September 2020 and the Local Enterprise Partnership on 10th September 2020. The report also confirmed the schedule of meetings.

It was noted that the principle role of the Board was to:

- Oversee the implementation of the Transport Strategy.
- Lead the implementation of the Climate Emergency Response Framework.
- Shape future policy development and priorities on issues related to transport and the environment.
- Develop new transport programmes and environmental programmes.
- Monitor programme delivery and performance on transport and on the environment.
- Oversee the performance of SYPTTE in delivering operational transport services and its capital programme and providing SYPTTE with political direction.

Members noted that delegations and transparency arrangements remained the same.

It had been agreed that the Board would continue to meet on (at least) an 8-week cycle aligned to the 8-week MCA schedule. Additional meetings would be held as required.

In answer to a question from Cllr Lamb, the Chair confirmed that it was acceptable for a supporting officer for each Member to attend Board meetings if

required.

RESOLVED – That the Board:

- i) Note the approved governance arrangements.
- ii) Note the schedule of Transport and Environment Board meetings.

7 **Draft 2021/22 South Yorkshire Transport Revenue Budget & Capital Programme**

A report was considered which provided an update on the development of the draft 2021/22 South Yorkshire Transport Revenue Budget and Capital Programme.

Members noted that the proposed financial strategy for the new financial year was predicated on three main objectives:

- Sustaining the current level of service provision wherever possible to support communities and the economic recovery.
- Facilitating the transition to the post-pandemic phase.
- Supporting partner financial pressures.

Due to significant uncertainty it was proposed that the levy was held at current levels. This would support the maintenance of the status quo whilst government maintained their funding, and supported mitigating actions should funding be withdrawn.

It was noted that the report would be presented to the Mayoral Combined Authority for approval on 25th January 2021.

As the business planning process evolved and emerging pressures and savings were identified, as well as existing savings and pressures reviewed, the draft budget figures would be revised accordingly.

From the initial budget engagement session with Cllr Read, it was assumed that Leaders would be content to adhere to the plan for presenting the final budget proposals for approval at the MCA on 22nd March 2021. This would allow officers to assess the latest available information following the Spending Review and Government's plans for continuation of emergency funding packages such as the Covid-19 Bus Service Support Grant and the Covid-19 Light Rail Revenue Restart Grant.

The report also detailed the proposed 2021/22 Capital Budget; the proposals for the capital programme had been endorsed by SYPTE's Transport Officers Board in 21st December 2020. These were detailed in Appendix 2 to the report.

RESOLVED – That the Board endorse the draft 2021/22 Financial Strategy and Revenue Budget and Capital Programme proposals for onward submission to the MCA Board on 25th January 2021.

8 **Transformation: Responding to the Bus Review**

A report was submitted which set out the proposed changes to the Bus Review response work programme, the context behind the changes and plans to support the short-term recovery of the region's bus network.

Members were reminded that the Bus Review identified the reasons behind the long-standing challenges facing the bus system in South Yorkshire. A series of recommendations were made which required further work to understand how they could be implemented and the costs involved. The MCA adopted 6 principles in response to the Bus Review which led to the development of a 7-point plan.

The first three strands of the Plan became work package one (WP1) and comprised:

1. Route Analysis: To identify the level of service and network required.
2. Quality Analysis: To develop a consistent quality standard for passengers.
3. Environmental Analysis: To calculate the investment required to deliver the MCAs net zero commitments and the timeline for delivery.

In parallel to the development of WP1, the pandemic had continued to impact public transport with the operation of the region's bus system now reliant on Government subsidies. Due to the challenges now facing the bus network a new phased approach was recommended to the improvement of the region's bus system:

- Stabilisation Phase – To ensure the region retained a level of service during this period of instability, SYPTTE were working on a Covid Exit Strategy that would focus on stabilising the network between now and the end of 2021 as the current subsidy was withdrawn.
- Recovery Phase – As the bus system began to stabilise, projects that would support the short-term recovery of the network would be required, to drive demand for the service which had fallen away during the pandemic.
- Transformation Phase – As the bus system recovered the transformation of the network could begin, focusing on delivering significant improvements and expanding the network.

It was recommended that WP1 evolved to focus on what must be delivered to support service provision post-Covid-19, what could be delivered with additional subsidy to meet policy aims, and what would like to be delivered with further support from the Government.

The Board acknowledged the difficulties in planning for the Transformation Phase as the "new normal" was still an unknown.

RESOLVED – That the Board:

- i) Support the revised approach to the Bus Review response work programme and proposal to commission support to deliver a revised WP1.

ii) Support the development of a pilot programme to deliver short-term recovery projects and support policy development.

9 **Recovery: Covid Funding Exit Risks And Light Rail Recovery Plan**

A report was considered which sighted the Board on the emerging risks arising from the Covid-19 pandemic, the need to start considering and developing mitigation and recovery plans, in particular with regard to the light rail recovery plans which the DfT have requested.

The report was exempt by virtue of paragraph 2 of Part 1 of Schedule 12A of the Local Government Act 1972.

RESOLVED – That the Board note the developments around Covid-19 light rail and bus funding and recovery work under development with particular emphasis on the more imminent light rail recovery planning considering the plans the DfT have requested to be submitted to them on 4th January 2021.

10 **Stabilisation: Bus Partnerships - Future Approach**

A report was submitted which gave details of a refreshed approach to the Bus Partnerships, which was subject to agreement by all parties in the Partnerships.

Members were reminded that there was a Bus Partnership in each of the four local authorities. The governance meetings for Bus Partnerships were typically Quarterly Steering Groups and Monthly Operations Groups and were attended by Operators, local authority senior officers and SYPTE senior officers.

The challenges were considered to be:

- The shared interest of the parties involved had eroded over time.
- Mutual benefits were now more complex to achieve due to conflicting policy decisions, greater investment levels needed, greater risks and lower risk appetite.
- Poor record of attendance from lead officers due to conflicting demands on time.
- A route to greater engagement and accountability would be for the Bus Partnerships to link through into formal governance forums, such as the Transport and Environment Board.

It was felt that the Partnerships needed to be reinvigorated by creating a new shared purpose which each party would support.

Opportunities for shared focus areas were suggested as:

- Engagement on Bus Review developments.
- Strategies that supported the long-term sustainability of the bus service provision (linked to Covid-19 recovery).
- Greater engagement on service design, maximising leverage over network design (e.g. trade bus lanes for service retention), facilitate true consultation.

- Support prioritisation of capital programmes.
- Support pricing strategies.
- Create a single Steering Group meeting across all four local authorities, although maintain separate Operations Group meetings for each of the four districts, to recognise time availability constraints from attendees, with a more strategic remit that was clearly distinct from the Operations Group.
- Encourage closer engagement by linking the Steering Group into the Transport and Environment Board, via the Bus Improvement Board.
- Two-way feed into the Bus Improvement Board (feed out: data support, feed in: Bus Review progress update).

Whilst broadly supportive of the proposals for a region-wide group, the Board felt strongly that there was a need for arrangements in each local authority to discuss specific local issues and suggested further discussions to look at a hybrid model to encompass this.

RESOLVED – That a decision be deferred pending further discussions on a hybrid model and a future short report be presented to the Board.

11 **Transforming Cities Funds Tranche 2 ('TCF T2') Programme Update**

A report was submitted which provided a progress update on the Transforming Cities Fund Tranche 2 (TCF T2).

The Board was reminded that in March 2020 the Department for Transport approved a grant award of £166.3m for the MCA's TCF aspirations. The grant was allocated from April 2019 to March 2023 resourcing a programme of transformational public transport, active travel and rail initiatives.

Following initial concerns on the pace of the programme's initial delivery, the Board approved a proposal to commence a programme review. The outcome of the review and subsequent risk adjustment identified that against a baseline expenditure target of £29.3m c. £3.8m of expenditure was forecast, leading to an adverse variance of 87%.

It was noted that without remedy there was a growing risk that the delivery of the programme would become increasingly difficult to achieve, leading to DfT intervening in the programme by withdrawing funding or refusing to allow time extensions to the programme.

The report detailed the changes in forecast expenditure and outlined a number of proposed steps to increase oversight on performance and mitigate some of the delivery risk.

The report also contained details of the financial position, management action that had already been put in place and further recommended management actions.

The Board discussed factors that had exacerbated the situation such as the effect of Covid-19, capacity and the length of time public consultations to take projects forward took.

RESOLVED – That the Board agree the recommendations as detailed in Section 2.2 of the report.

12 **Transforming Cities Fund - Benefits Realisation and Monitoring and Evaluation Plan**

A report was submitted which sought endorsement of the Transforming Cities Fund – Benefits Realisation and Monitoring and Evaluation Plan.

Members were reminded that the Strategic Outline Business Case for the Transforming Cities Fund (TCF) programme was submitted to the Department for Transport (DfT) on 27th November 2019. The subsequent acceptance of the £166m grant from DfT was reported at the MCA meeting on 1st June 2020.

It was noted that as part of the guidance from the DfT, there was an expectation that bidders would monitor and evaluate programme interventions as both the Department and city regions had a shared interest in evaluating the effectiveness of the fund over time. The requirement was in line with the MCA's current agreed Assurance Framework.

To this end, a Benefits Realisation Plan and Monitoring and Evaluation Plan had been developed. These were 'live' documents that would change over time to respond to programme or policy changes. Both plans were attached as appendices to the report.

Members were informed that the package, project and programme evaluation would be undertaken by the MCE Executive team and would be funded through the allocation from the programme for programme management and assurance.

RESOLVED – That the Board approve the current TCF Monitoring and Evaluation and Benefits Realisation Plans as the frameworks for assessing the performance and learning from the TCF programme.

13 **Programme Approvals**

A report was submitted requesting capital programme approvals for projects within the Transforming Cities Fund. These were:

- Rotherham Town Centre Active Travel.
- Sheffield Heart of the City Breathing Spaces Project.
- Sheffield Package of Cycling Infrastructure.

RESOLVED – That the Board approve:

- i) Progression of Rotherham Town Centre Active Travel Project Outline Business Case to Full Business Case and the release of up to £1,240,690 business case development cost funding to Rotherham Metropolitan Borough Council subject to the conditions set out in the Appraisal Panel Summary at Appendix A to the report.

- ii) Progression of Project ‘Sheffield Heart of the City Breathing Spaces’ to MCA for award of £2m grant from the Transforming Cities Fund subject to the conditions set out in the Appraisal panel Summary at Appendix B to the report.
- iii) The project change request from “Sheffield Package of Cycling Infrastructure” to agree an extension to the completion date.
- iv) Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into a legal agreement for the early release of business case development funding for the Rotherham Town Centre scheme and the Sheffield Package of Cycling Infrastructure change request

14 **Local Transport 2021/22 Programme Setting**

A report was submitted which presented the Board with a proposed process for setting the draft 2021/22 Integrated Transport Block and Highways Capital Maintenance Fund programmes.

The Board was informed that 2020/21 was the final year of the current six-year settlement for the Local Transport Capital Block Allocation. Following the Spending Review published in November there had been some clarity on future funding provided by DfT, however to date they had not confirmed the exact processes or allocations. Members were informed that this delay in advising on funding could impact on the ability to deliver local transport projects from the start of the new financial year, therefore the report provided a proposal for progressing programme development and minimising the risk from the delay.

The proposal was that the programme setting process was undertaken now based on the information the DfT had provided to date and then, if necessary, the programmes were adapted in line with any changes to allocations or grant conditions once confirmed. The report detailed the process that had been applied to programme setting in previous years.

RESOLVED – That the Board agree to the proposed process for establishing the draft programme as set out in Section 2.4 of the report.

15 **Restoring Your Railway Fund - Update**

A report was submitted which provided an update on bids to the Department for Transport’s Restoring Your Railways Fund.

Members were reminded that in February 2020 the Government launched its Restoring Your Railways Fund and invited expressions of interest for rail re-opening schemes.

The MCA worked with local MPs and authorities to submit bids to the first round of the Ideas Fund in March 2020 for the following lines:

- Sheffield to Stocksbridge via Deepcar
- Sheffield to Chesterfield via Barrow Hill

- Barnsley to Wakefield via Royston
- Doncaster to Knottingley/Leeds via Askern

At the end of May the DfT announced the first shortlist of ten schemes to take forward out of sixty bids received. The MCA had been successful in securing support to progress the Sheffield to Chesterfield via Barrow Hill line. Work was now underway to develop a Strategic Outline Business Case for submission to the DfT in early 2021.

The DfT had held generic feedback sessions for unsuccessful proposals from the first tranche and provide written feedback on areas for improvement. The MCA and each of the scheme MP sponsors had considered the feedback and met to develop a way forward. A third round of bids was expected to be announced in November but had been delayed.

As the schemes were still supported by the MCA it was proposed to re-submit the three unsuccessful bids into the next round when a deadline was confirmed by the DfT.

The Board noted that the only scheme supported for the second tranche of bids was the Waverley New Station which was submitted to the Ideas Fund.

RESOLVED – That Members:

- i) Note that Local Authorities and the MCA had committed resources to support the sponsoring Members of Parliament to submit bids to the Ideas Fund for the schemes named in Section 2.2 of the report.
- ii) Agree to the re-submission of the revised unsuccessful bids in the third round, expected to be in early 2021.

16 **MCA / LEP Performance Report**

A report was submitted along with programme summaries and performance dashboards to provide Board members with current performance information on transport programmes delivered by the MCA Executive on behalf of the LEP and the MCA.

RESOLVED – That the report be noted.

17 **SYPTTE Performance Dashboard**

A report was considered which provided an update on the performance of key areas of SYPTTE activity.

RESOLVED – That the report be noted.

18 **Any Other Business**

None.

In accordance with Combined Authority's Constitution/Terms of Reference for the Board, Board decisions need to be ratified by the Head of Paid Services (or their nominee) in consultation with the Chair of the Board. Accordingly, the undersigned has consulted with the Chair and hereby ratifies the decisions set out in the above minutes.

Signed

Name

Position

Date