

# Public Document Pack



Friday, 5 November 2021

To: Members of the MCA - Mayoral Combined Authority Board and Appropriate Officers

## NOTICE OF MEETING

You are hereby summoned to a meeting of the South Yorkshire Mayoral Combined Authority to be held at **Sheffield City Region, 11 Broad Street West, Sheffield S1 2BQ**, on: **Monday, 15 November 2021 at 10.00 am** for the purpose of transacting the business set out in the agenda.

A handwritten signature in black ink, appearing to read 'D. Smith'.

Dr Dave Smith  
**Chief Executive**

## Webcasting Notice

This meeting will be streamed live or subsequent broadcast via the Mayoral Combined Authority's website.

You should be aware that the Mayoral Combined Authority is a Data Controller under the Data Protection Act 2018. Data collected during this webcast will be retained in accordance with the Mayoral Combined Authority's published policy.

By entering the meeting room, you are consenting to be filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes.



You can view the agenda and papers at [www.sheffieldcityregion.org.uk](http://www.sheffieldcityregion.org.uk) or use a smart phone camera and scan the QR code:



## **Member Distribution**

Mayor Dan Jarvis MBE (Chair)  
Councillor Chris Read (Vice-Chair)  
Councillor Terry Fox  
Councillor Sir Steve Houghton CBE  
Mayor Ros Jones CBE  
Councillor Alex Dale  
Councillor Steve Fritchley  
Councillor Tricia Gilby  
Councillor Simon Greaves  
Councillor Garry Purdy  
James Muir

SCR Mayoral Combined Authority  
Rotherham MBC  
Sheffield City Council  
Barnsley MBC  
Doncaster MBC  
NE Derbyshire DC  
Bolsover DC  
Chesterfield BC  
Bassetlaw DC  
Derbyshire Dales DC  
Chair of LEP Board

## MCA - Mayoral Combined Authority Board

Monday, 15 November 2021 at 10.00 am

Venue: Sheffield City Region, 11 Broad Street West, Sheffield  
S1 2BQ



### Agenda

| Agenda Ref No | Subject  | Lead             | Page |
|---------------|--|------------------|------|
| 1.            | Welcome and Apologies  | Mayor Dan Jarvis |      |
| 2.            | Announcements  | Mayor Dan Jarvis |      |
| 3.            | Urgent Items<br><br>To determine whether there are any additional items of business which by reason of special circumstances the Chair is of the opinion should be considered at the meeting; the reason(s) for such urgency to be stated.                             | Mayor Dan Jarvis |      |
| 4.            | Items to be Considered in the Absence of Public and Press<br><br>To identify where resolutions may be moved to exclude the public and press. (For items marked * the public and press may be excluded from the meeting.)   | Mayor Dan Jarvis |      |
| 5.            | Voting Rights for Non-constituent Members<br><br>To identify whether there are any items of business that apply only to the South Yorkshire Members of the Mayoral Combined Authority, ie, where it would not be appropriate for non-SY Members to have voting rights. | Mayor Dan Jarvis |      |
| 6.            | Declarations of Interest by individual Members in relation to any item of business on the agenda<br><br>Declarations of Interest by individual Members in relation to any item of business on the agenda.  | Mayor Dan Jarvis |      |
| 7.            | Reports from and questions by members  | Mayor Dan Jarvis |      |



|     |  |                   |           |
|-----|--|-------------------|-----------|
| 8.  | Receipt of Petitions   | Mayor Dan Jarvis  |           |
| 9.  | Public Questions   | Mayor Dan Jarvis  |           |
| 10. | Minutes of the meeting   | Mayor Dan Jarvis  | 7 - 16    |
| 11. | South Yorkshire Enhanced Partnership                                       | Steve Edwards     | 17 - 124  |
| 12. | 2021/22 Budget Revision 2  | Gareth Sutton     | 125 - 178 |
| 13. | Autumn Budget and Comprehensive Spending Review - Implications for the MCA | Felix Kumi-Ampofo | 179 - 188 |
| 14. | Programme Approvals  | Sue Sykes         | 189 - 242 |
| 15. | Integration Update   | Dr Ruth Adams     | 243 - 248 |
| 16. | Delegated Authority Report   | Dr Dave Smith     | 249 - 256 |

**Date of next meeting:** Monday, 24 January 2022 at 10.00 am

**At:** Sheffield City Region, 11 Broad Street West, Sheffield S1 2BQ

This page is intentionally left blank

**MCA - MAYORAL COMBINED AUTHORITY BOARD**

**MINUTES OF THE MEETING HELD ON:**

**MONDAY, 20 SEPTEMBER 2021 AT 10.00 AM**

**SHEFFIELD CITY REGION, 11 BROAD STREET WEST,  
SHEFFIELD S1 2BQ**



---

**Present:**

|                                   |                                |
|-----------------------------------|--------------------------------|
| Mayor Dan Jarvis MBE (Chair)      | SCR Mayoral Combined Authority |
| Mayor Ros Jones CBE               | Doncaster MBC                  |
| Councillor Sir Steve Houghton CBE | Barnsley MBC                   |
| Councillor Paul Wood              | Sheffield CC                   |
| James Muir                        | Chair of LEP Board             |
| Kate Josephs                      | Sheffield CC                   |
| Dr Dave Smith                     | MCA Executive Team             |
| Dr Ruth Adams                     | MCA Executive Team             |
| Martin Swales                     | MCA Executive Team             |
| Steve Davenport                   | MCA Executive Team / SYPTE     |
| Gareth Sutton                     | MCA Executive Team             |
| Stephen Edwards                   | SYPTE                          |

**In Attendance:**

|                    |                      |
|--------------------|----------------------|
| Shokat Lal         | Barnsley MBC         |
| Nigel Slack        | Member of the Public |
| Jennifer Carpenter | Member of the Public |

**Apologies:**

|                            |                     |
|----------------------------|---------------------|
| Councillor Chris Read      | Rotherham MBC       |
| Councillor Garry Purdy     | Derbyshire Dales DC |
| Councillor Simon Greaves   | Bassetlaw DC        |
| Councillor Steve Fritchley | Bolsover DC         |
| Councillor Tricia Gilby    | Chesterfield BC     |
| Councillor Alex Dale       | NE Derbyshire DC    |
| Sarah Norman               | Barnsley MBC        |
| Damian Allen               | Doncaster BMC       |
| Sharon Kemp                | Rotherham MBC       |

**1 Welcome and Apologies**

Mayor Jarvis MBE welcomed everyone to the meeting.

Apologies for absence were noted as above.

## 2 **Announcements**

Members noted that the Mayoral Combined Authority (MCA) was now officially called the South Yorkshire Mayoral Combined Authority (SYMCA). Today marked the first official meeting under the new name. The formal integration of the South Yorkshire Passenger Transport Executive and the MCA was well underway. This would enable to better invest in and manage the 102 million passenger journeys that were made in South Yorkshire each year, and to deliver on the mission to create a stronger, greener and fairer South Yorkshire.

Through the work undertaken with local council partners in the MCA, the Local Enterprise Partnership and Dame Sarah Storey, the Active Travel Commissioner, the submission made to the Government's Sustainable Transport Settlement process had set out an ambitious £660m programme of investment. It was envisaged that the investment would turn around the public transport system, which was not currently considered fit for purpose. It would provide a 5 year funding pot for transport which would bring together a host of previously ring fenced, short-term, discrete and narrowly focused funding allocations. Mayor Jarvis MBE provided assurance that the period of discussion, negotiation and debate with the Treasury and the Department for Transport would be entered into with a view to seeking the maximum funding possible, and to ensure that the Chancellor was aware of the SYMCA's priorities ahead of the Government's Comprehensive Spending Review.

Members noted that the number of COVID-19 cases, hospital admissions and deaths were higher in comparison to the same time last year. Over 250 people were currently hospitalised within South Yorkshire due to the pandemic, and the number was slowly increasing. Mayor Jarvis MBE urged everyone to continue to be cautious and to continue to wear face masks in public transport settings.

The red carpet premiere of the new film 'Everyone's Talking About Jamie' had recently been held in Sheffield. The film had been shot by a Sheffield company, and it was based on a production from Sheffield Theatres. Mayor Jarvis MBE had supported the South Yorkshire Cultural and Creative Industries Summit and he had promoted the £1m of funding that was being put into the sector.

## 3 **Urgent Items**

None.

## 4 **Items to be Considered in the Absence of Public and Press**

None.

## 5 **Voting Rights for Non-constituent Members**

It was noted that Non-Constituent Members were welcome to participate in the discussion of every item on the agenda.

## 6 **Declarations of Interest by individual Members in relation to any item of business on the agenda**

Mayor Jarvis MBE declared an interest in the matters to be considered at agenda Item 14 entitled 'Programme Approvals' which may relate to the Barnsley central constituency.

Councillor Sir Houghton CBE declared an interest in the matters to be considered at agenda Item 14 entitled 'Programme Approvals' in relation to any schemes relating to Barnsley, by virtue of being the Leader of Barnsley Metropolitan Borough Council.

Mayor Jones CBE declared an interest in the matters to be considered at agenda Item 14 entitled 'Programme Approvals' in relation to any schemes relating to Doncaster, by virtue of being the Mayor of Doncaster Metropolitan Borough Council.

Councillor Wood declared an interest in the matters to be considered at agenda Item 14 entitled 'Programme Approvals' in relation to any schemes relating to Sheffield City Council.

In respect of the decisions related to agenda Item 14, to the extent that any declarations of interest mean that the meeting would not be quorate due to a Member disclosing a non-pecuniary interest in the item by virtue of being the Leader of the recipient Local Authority, the Monitoring Officer has granted a Dispensation under Schedule 3 of the Members Code of Conduct (Paragraph (B)(i)).

**7 Reports from and questions by members**

None

**8 Receipt of Petitions**

J Carpenter from Sheffield Climate Alliance, which would be renamed as South Yorkshire Climate Alliance, presented a petition which contained 197 signatories entitled "Make our buses free during COP26". J Carpenter read out the following statement which accompanied the petition:-

"Transport is the largest source of climate pollution in the UK, accounting for over a third of annual omissions. We need radical change to how people travel, cutting greenhouse gas emissions in order to avoid catastrophic climate change and helping to reduce air pollution, road congestion and obesity. To do this, we need our public transport systems to become more effective, serve all our communities and be far cheaper. Then people are more likely to choose public rather than private transport. COP26 takes place in November 2021 in Glasgow where World Leaders will meet for the 26<sup>th</sup> time to discuss the climate emergency which threatens us all. We need to put the pressure on to make sure they take the decisions needed to avert catastrophe.

We, the undersigned, call on the South Yorkshire Mayor and the Combined Authority to take the measures necessary to ensure that busses across South Yorkshire are fare free for everyone during the two weeks of COP26 (1 November – 12 November 2021). This would highlight to everyone the need

for radical action to tackle this climate emergency”.

Mayor Jarvis MBE welcomed the petition received from Sheffield Climate Alliance and their commitment to improving the bus network for people and the planet. The Combined Authority had pledged to make major transformations to the bus network and public transport through millions of pounds of investment in the network. A total of £6m had been invested to extend reduced fares for 18 – 21 year olds. A total of £660m was sought from the Government through its City Region Sustainable Transport Settlement (CRSTS), subject to negotiation with the Treasury and DfT a substantial part of this would put buses at the heart of the transport system by allowing millions of pounds to be invested to tackle local congestion hotspots, to give buses priority on the roads and to make sure that the transport interchanges and bus stops were fit for purpose. Although this was hugely ambitious, Mayor Jarvis MBE believed that the Bus Services Improvement Plan would provide the basis for the forthcoming submission to the Government for Enhanced Partnership funding, to which it was intended to run a thorough public consultation.

Mayor Jarvis MBE commented that he would like nothing more than to make the bus travel free during COP26, but that the minimum estimated cost of approximately £2.6m of revenue funding was extremely difficult. He provided reassurance that the SYMCA would look at the wider issues of affordability, concessions and services through the Bus Services Improvement Plan and the Enhanced Partnership proposal.

## 9 **Public Questions**

The following public question was received from N Slack:-

“It is becoming clear that the ‘assurances’ given to the Mayor by the University of Sheffield, over the closure of the Archaeology Department, are not worth the breath expended in the expression of them. Evidence that students are choosing to take up Post Graduate courses in other Universities, rather than Sheffield, is continuing to accrue and the reason given by these students is the lack of a full Archaeology Department in Sheffield. As a result the Post Graduate courses will be under subscribed and no doubt this will be used as an opportunity to eliminate these surviving elements as well. This will lead to the loss of, not only skilled and experienced staff that bring prestige to the University, the City of Sheffield and the region beyond but also the students with exactly the sort of skills and employment opportunities the region needs. He included an example of the recent impact of the University of Sheffield Archaeology in the New York Times article:-

<https://www.nytimes.com/2021/09/11/world/europe/bronze-age-coffin-golf-course.html>

As a side note, this move could also create obstacles to the economic development of the region when a lack of staff for the archaeological investigations, that must be delivered before redevelopment of so many sites these days, are delayed with the consequent knock on effect for the region’s employment prospects and the developers themselves.

Will the Mayor engage further with the University of Sheffield to safeguard these jobs, and retain the skills and the international impact of this department for the future reputation of the University as something other than a big business with their eye solely on profit and willing to sacrifice their educational imperative for money?”

In response, Mayor Jarvis MBE acknowledged the enormous cultural, intellectual and economic contribution of the University of Sheffield. The University was a strong advocate in the city for arts, culture and heritage, sponsoring many of the brilliant independent festivals that make the city and the wider region a vibrant place. He was grateful to the University of Sheffield, as an anchor institution, which contributed to the advancement of the region. He shared the concerns raised by N Slack, whilst recognising that the University of Sheffield, like all Higher Education Institutions, operated in a competitive commercial environment. He would raise the issue again with the University of Sheffield, to ensure that the vital contributions that the department had made to the region were not lost.

10 **Minutes of the meeting held on 26th July 2021**

RESOLVED – That the minutes of the meeting held on 26 July 2021 be agreed as a true record.

11 **Bus Service Improvement Plan (BSIP)**

A report was presented which provided an update on the workpackage one (WP1) outputs that would be used to develop the initial Bus Service Improvement Plan (BSIP) submission in October 2021. The outputs produced by WP1 related to improving the region’s bus services and by incorporating them into the initial BSIP, they would support the recovery of the bus system post-COVID.

Given the tight timescales for submission of the BSIP and with the submission date falling between the MCA meetings in September and November 2021, it was agreed that submission of the BSIP was delegated to the MCA Chief Executive in consultation with the South Yorkshire Leaders and the Mayor.

Councillor Sir Houghton CBE emphasised the need to ensure that the long and short term aims were correctly integrated.

A Leaders’ workshop would be convened to discuss the matter further.

RESOLVED – That the Board considered the content of the report and the outputs from WP1 which would shape the next stages of work, to provide a view on the preferred approach to the initial Bus Service Improvement Plan (BSIP), as set out in Section 3 of the report.

12 **South Yorkshire Digital Infrastructure Strategy**

A report was submitted which presented the Final Draft South Yorkshire Digital Infrastructure Strategy.

In 2020, the consultant Arcadis had been commissioned to provide support to the MCA and partners to prepare a South Yorkshire Digital Infrastructure Strategy. The SCR Housing and Infrastructure Board had developed the Final Draft Strategy and had recommended its approval. The LEP Board had also endorsed and supported the Draft Strategy.

Mayor Jarvis MBE expressed his thanks to the Members and officers from across the South Yorkshire councils for their input into the Draft Strategy.

The South Yorkshire Digital Infrastructure Strategy sought to address the following key challenges:-

- Over the next 5 year period, a total of 160,000 premises within South Yorkshire had not been scheduled to receive 'gigabit-capable' broadband by the industry.
- A gigabit broadband connectivity would be rolled out throughout South Yorkshire, to build upon the success of the Superfast South Yorkshire broadband programme.
- To ensure that local businesses were aware of and to exploit the 5G opportunities, and to ensure a more consistent regional approach.
- To address the affordability and digital poverty of the broadband services.

RESOLVED – That the Board:-

- i) Considered and approved the Draft South Yorkshire Digital Infrastructure Strategy.
- ii) Delegated to the Head of Paid Service in liaison with the Housing and Infrastructure Board Co-Chairs to sign off the final designed document.

Requested that the Housing and Infrastructure Board prepared a Delivery Plan for the Digital Infrastructure Strategy.

## 13 **Final Accounts & Annual Governance Statement (AGS)**

A report was presented which sought approval of the Annual Statement of Accounts and the Annual Governance Statement for 2020/21. The Accounts and Audit Regulations 2015 required the MCA to prepare an Annual Statement of Accounts, and to undertake an annual review of the effectiveness of systems of internal controls through the publication of an Annual Governance Statement.

Members noted that the auditor's findings had led to an unqualified opinion, with no matters to report on the value for money statement. The SCR Audits and Standards Committee had endorsed the Accounts.

The Board noted the national issue in relation to pensions, and additional testing was currently underway by the auditor. Subject to the additional testing, it was envisaged that the Accounts would be approved by the end of September 2021. In the event of any further matters arising from the additional testing, it was proposed to revert to the Board with the Accounts.



RESOLVED – That the Board:-

- i) Approved the Annual Statement of Accounts.
- ii) Approved the Annual Governance Statement.

Noted that should any late adjustments be required to the Accounts, the documents would be resubmitted to the Audit and Standards Committee and the Board.

## 14 **Programme Approvals**

A report was presented which requested the progression of twelve schemes, early release of development cost funding subject to conditions to be set out in the Assurance Summaries, and approval of two project change requests. The report also requested delegated authority to enter into legal agreements for the Community Renewal Fund with the local authorities and partners due to a delay in the decision announcement by Government and the acceptance of grant from the Superfast South Yorkshire programme with delegation to the thematic boards to develop programme ideas for their respective areas and approve programme ideas in line with agreed board delegation limits.

Mayor Jarvis MBE welcomed the host of schemes coming forward for approval, and he acknowledged the huge amount of effort that had been undertaken across a number of the thematic boards to reach this point.

RESOLVED – That the Board considered and approved:-

- i) Progression of “iPort” project to full approval and award of £5.46m grant to South Yorkshire Passenger Transport Executive subject to the conditions set out in the Assurance Summary attached at Appendix A1 to the report.
- ii) Progression of “Stations Access Package” to full approval and award of £6.17m grant Doncaster Borough Council subject to the conditions set out in the Assurance Summary attached at Appendix A2 to the report.
- iii) Progression of “Gene Therapy Innovation and Manufacturing Centre” to full approval and award of £1.5m grant funding to the University of Sheffield (UOS) subject to the conditions set out in the Assurance Summary attached at Appendix A3 to the report.
- iv) Progression of “Project D0001” to full approval and award of £2m loan and £5.16m grant subject to the conditions set out in the Assurance Summary attached at Appendix A4 to the report.
- v) Progression of “Magna Tinsley OBC” to FBC and the release of development cost funding of up to £845k to Sheffield City Council subject to the conditions set out in the Assurance Summary attached at Appendix B1 to the report.
- vi) Progression of “Unity OBC” to proceed to FBC and the release of

development cost funding up to £50k to Doncaster Metropolitan Borough Council subject to the conditions set out in the Assurance Summary attached at Appendix B2 to the report.

- vii) Progression of “Nether Edge Wedge OBC” to proceed to FBC and the release of development cost funding up to £1.38m to Sheffield City Council subject to the conditions set out in the Assurance Summary attached at Appendix B3 to the report.
- viii) Progression of “Broom Road Cycleways OBC” to proceed to FBC and release of development cost funding up to £211k to Rotherham Metropolitan Borough Council subject to the conditions set out in the Assurance Summary attached at Appendix B4 to the report.
- ix) Progression of “Doncaster Housing Retrofit SBC” to proceed to OBC subject to the conditions set out in the Assurance Summary attached at Appendix C1 to the report.
- x) Progression of “Glassworks – Enhanced Capital Contributions SBC” to proceed to OBC for Gainshare funding to BMBC (Barnsley Metropolitan Borough Council) subject to the conditions set out in the Assurance Summary attached at Appendix C2 to the report.
- xi) Progression of “Fargate Future High Street Fund SBC” to proceed to OBC for Gainshare funding to SCC (Sheffield City Council) subject to the conditions set out in the Assurance Summary attached at Appendix C3 to the report.
- xii) Progression of “Sheffield Heart of the City 2 SBC” to proceed to OBC for Gainshare funding to SCC (Sheffield City Council) subject to the conditions set out in the Assurance Summary attached at Appendix C4 to the report.
- xiii) Two project change requests as detailed in Appendix D to the report.
- xiv) Acceptance of grant of £7.7m of which £1.18m to be returned to the MCA this financial year and delegated Authority to the Thematic Boards to approve programme ideas for their respective area, in line with the agreed board delegation limits with regards to the Superfast South Yorkshire broadband programme.

Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the schemes 1 – 13 covered above and enter into the necessary legal grant agreements with the Local Authorities and other delivery partners for the delivery of the Community Renewal funded projects.

15

### **Budget and Business Plan Development 2022/23**

A report was submitted which provided an outline on the process for developing the budget and supporting business plan for the new financial year. The report noted the challenging environment in which the process was taking place, the policy decisions that would drive the financial strategy, and the need for

engagement with partners.

Members would be provided with the detailed budget assumptions at the next Board meeting scheduled to be held in November 2021. It was noted that some of the decisions to be taken by the Board during the Autumn months would have a significant impact on the financial plan moving forwards. Work continued to progress around the investment strategy in particular the co-design and co-development with partners.

Mayor Jarvis MBE was pleased to observe that the paper was presented to the Board at this early stage, which started the business plan and budgeting process.

RESOLVED – That the Board:-

- i) Noted the budget and business planning process being undertaken within the MCA.
- ii) Noted the significant uncertainties shaping the process.

Noted the proposed approval timeline.

16 **Delegated Authority Report**

A report was presented which provided an update on the decisions and delegations made by the MCA, and the decisions and delegations made by the Thematic Boards.

RESOLVED – That Members noted the decisions and delegations made.

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 .....

This page is intentionally left blank



## Mayoral Combined Authority Board

15 November 2021

### South Yorkshire Enhanced Partnership

---

|   |            |
|---|------------|
| <b>Is the paper exempt from the press and public?</b> | No         |
| <b>Purpose of this report:</b>                        | Discussion |
| <b>Is this a Key Decision?</b>                        | Yes        |
| <b>Has it been included on the Forward Plan?</b>      | Yes        |

---

**Director Approving Submission of the Report:**  
Stephen Edwards, Executive Director (SYPTTE)

**Report Author(s):**  
Chloe Shepherd  
Chloe.shepherd@sheffieldcityregion.org.uk

---

#### **Executive Summary**

This report sets out the necessary steps required to implement the MCA decision to enter into an Enhanced Partnership with Bus Operators across South Yorkshire. This report seeks approval to move to the next stage of the implementation of an Enhanced Partnership to support the required improvement in bus services, for approval of the Enhanced Partnership Plan' and 'Enhanced Partnership Scheme. The paper also seeks approval to give Notice to Operators of the proposal to make an Enhanced Partnership Plan and Scheme, and approval to give public notice and consult on them.

#### **What does this mean for businesses, people and places in South Yorkshire?**

The proposals set out in the paper strengthen the MCAs ability to develop and secure investment in a more effective public transport system in South Yorkshire. The Enhanced Partnership between the MCA and bus operators is a means of delivering the short-term actions set out in the MCAs recently published Bus Services Improvement Plan.

## Recommendations

It is recommended that the Board:

- a) Approves the content of the Enhanced Partnership Plan (Appendix A)
- b) Approves the proposed inclusion of the activities outlined in the Enhanced Partnership Scheme Summary Table (Appendix B), for formal inclusion in the Scheme (Appendix B),
- c) Approves the content of the Enhanced Partnership Scheme (attached at Appendix C)
- d) Approves giving Notice to Operators of the proposal to make an Enhanced Partnership Plan and Scheme,
- e) Approves the intention to give public notice and consult on the Enhanced Partnership Plan and Scheme.

## Consideration by any other Board, Committee, Assurance or Advisory Panel

Mayoral Combined Authority Board  
Transport and the Environment Board

14 June 2021  
21 October 2021

---

## 1. Background

- 1.1 Click or tap here to enter text. The MCA submitted an ambitious Bus Services Improvement Plan (BSIP) to the Government on 29 October 2021. The BSIP is an integral part of the Enhanced Partnership Plan that the MCA and bus operators agreed in advance of implementing the MCA's decision to enter into a formal Enhanced Partnership model from April 2022 onwards.
- 1.2 To meet this April deadline the MCA must give Notice to Operators of the proposal to make an Enhanced Partnership Plan and Scheme and enter into a period of statutory consultation with operators of qualifying local bus services, followed by a period of public consultation.
- 1.3 The Enhanced Partnership Plan sets out our high-level ambition for the region's bus services. The Enhanced Partnership will formally include a specific set of interventions (facilities, measures and operator requirements) and where these interventions are included, there will be a legal obligation that these projects are delivered.
- 1.4 The proposed Enhanced Partnership Scheme includes a suggested variation mechanism that will allow further measures, facilities and operator requirements to be added as additional funding becomes available.

## 2. Key Issues

- 2.1 **Uncertainty over national funding for bus improvements.** The Government's Comprehensive Spending Review indicated that the MCA is expected to receive £570m of City Region Sustainable Transport Fund resources; of which a significant element is focused on bus improvement programmes, such as bus priority corridor projects on key routes. However, there remains considerable uncertainty on the levels of additional BSIP funding to be made available and the availability of transport focused Levelling Up Fund resources.

- 2.2 **BSIP provides a strong framework for the Enhanced Partnership Plan.** The national guidance deliberately aligns the BSIP with the requirements of the Enhanced Partnership Plan. On that basis the work done on the BSIP provides a strong framework for the plan. The 'Plan' is included at Appendix A.
- 2.3 **Current funding uncertainty precludes agreeing a substantive investment programme for inclusion in the Scheme.** At this stage of the process we are proposing a limited set of interventions as part of the Scheme. There remains the means to vary the scheme in the future as further funding becomes available or the outcome of 'live' bids becomes known. The Scheme does not represent the sum of our ambition for the Enhanced Partnership or for the delivery of the BSIP.
- 2.4 The interventions and operator requirements proposed are set out in Appendix B and have been drawn from existing MCA / Operator funding commitments. They are those identified schemes with early deliverability and that can be delivered using the funding we do have certainty over.
- 2.5 **Requirement to consult.** The proposed Enhanced Partnership Plan and Enhanced Partnership Scheme are required to be the subject of a 28 day consultation period with operators of qualifying local bus services and then, assuming that there are no fundamental objections during this time, to a period of public consultation in early 2022 thereafter, leading to the production of a final Enhanced Partnership Plan and Scheme in March 2022.

### 3. Options Considered and Recommended Proposal

#### 3.1 Option 1

The Board could decide to delay the next step in the Enhanced Partnership process until there is more detail around funding bids that will influence the content of the Enhanced Partnership Scheme.

#### 3.2 Option 1 Risks and Mitigations

This option is not recommended as the timetable for implementing an Enhanced Partnership is linked to bus transformation funding being provided and therefore delaying the process could impact the options available to improve bus services in South Yorkshire. There would also be an associated reputational risk.

#### 3.3 Option 2

The Board could decide to delay the next step in the Enhanced Partnership process, due to forthcoming Mayoral elections planned for Spring 2022.

#### 3.4 Option 2 Risks and Mitigations

This option is not recommended due to the links between the Enhanced Partnership and future funding and aspirations for the region's bus services. However, as the BSIP is a living document that requires annual updates, the risk of misalignment with a future Mayor's priorities for the region's buses can be mitigated.

#### 3.5 Option 3

The Board could decide to continue with the next stage of the Enhanced Partnership process.

### **3.6 Option 3 Risks and Mitigations**

The next step in the process aligns with the timescales set out by the DfT for implementing an Enhanced Partnership and would reduce the risk of the SYMCA receiving reduced funding in future years, due to the link between the Enhanced Partnership and accessing transformational funding. Agreeing the Enhanced Partnership in a timely manner is also important to starting to deliver the activities set out in the BSIP to improve the region's bus services.

## **3. Recommended Option**

3

## **4. Consultation on Proposal**

- 4.1 The BSIP was developed following the Bus Review published in June 2020. The public consultation conducted as part of the Bus Review was used as evidence in the development of the BSIP. Bus operators and bus user groups have also been engaged in the BSIP development.

There is clear strategic alignment with the Strategic Economic Plan, the Mayor's Transport Strategy.

- 4.2 The recommendations set out in this paper are also driven by the Department for Transport's Enhanced Partnership guidance which sets out a clear timeline and set of decision points.

## **5. Timetable and Accountability for Implementing this Decision**

- 5.1 The deadline for implementation of the Enhanced Partnership is April 2022.

## **6. Financial and Procurement Implications and Advice**

- 6.1 As set out in DfT guidance, only measures and facilities for which there is confirmed funding available has been included in the initial Enhanced Partnership Scheme. The delivery of all of the activities set out in the Initial BSIP/Enhanced Partnership Plan are highly dependent upon sufficient funding being secured and at the point of submission, the estimated funding gap was estimated to be between £ 430 - £ 474 million. By submitting a BSIP to Government and committing to the timely implementation of an Enhanced Partnership, the SYMCA will receive an amount of transformational funding from Government to support the delivery of our BSIP, the quantum of which is currently unknown.

## **7. Legal Implications and Advice**

- 7.1 Following SYMCA approval in June a Notice of Intention to Prepare an Enhanced Partnership and related Scheme was published. Submission of the Initial BSIP to the DfT on 29 October 2021 was the next key step required in accordance with DfT guidance in order to deliver bus service improvements. In accordance with the provisions of the Transport Act 2000 and DfT guidance the legal process for implementation for the Enhanced Partnership Plan and Scheme will continue enabling statutory consultation with operators from mid-November 2021 and then the public in early 2022.



The Transport Act 2000 also requires that a Competition Test as set out in Part 1 of Schedule 10 to the Act must also be applied to determine whether there is likely to be a significantly adverse effect on competition. It is concluded that, at this point, there will be no significantly adverse effect on competition arising from the proposed Enhanced Partnership Plan and Enhanced Partnership Scheme as currently proposed.

An Enhanced Partnership Scheme may not be made unless the MCA is satisfied that the scheme will contribute to the implementation of the policies set out in the related Enhanced Partnership Plan and their local transport policies, as well as bringing benefits to persons using local services in the whole or any part of the area to which the scheme relates by improving the quality or effectiveness of those services or reducing or limiting traffic congestion, noise or air pollution. The Enhanced Partnership Plan confirms that this is the case and outlines how the components of the Enhanced Partnership Scheme will achieve the objectives of improving bus services.

Prior to the EPP and EPS being made for commencement in April 2022, all the Authorities who are a party to the EPS and have legally binding obligations in terms of delivering facilities or measures (e.g. promoting a Traffic Regulation Order) will need to formally approve the EPS for it to be made.

- 7.2 Following consultation further approval of SYMCA will be required prior to any formal making of the Enhanced Partnership Plan and Enhanced Partnership Scheme.

## **8. Human Resources Implications and Advice**

- 8.1 None as a result of this paper.

## **9. Equality and Diversity Implications and Advice**

- 9.1 The Initial BSIP/Enhanced Partnership Plan sets out the region's plans for improving accessibility across the bus network and on board our services and the initial Enhanced Partnership Scheme is the means by which these improvements will start to be delivered.
- 9.2 In making the decisions contained in this report, Members are reminded of their legal **duty** under section 149 of the Equality Act 2010 to have *due regard* to the need to:
- I. Eliminate discrimination, harassment and victimisation;
  - II. Advance equality of opportunity between those who share a protected characteristic and persons who do not share it; and
  - III. foster good relations between those who share a protected characteristic and persons who do not share it.

In having due regard to the need advance the equality of opportunity between persons who share a protected characteristic and persons who do not, Members should have *due regard* to the need to:

- a. remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;

- b. take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- c. encourage persons who share a relevant protected characteristic to participate in public life or in any activity in which participation by such persons is disproportionately low.

It is for Members to determine the weight to be given to the various factors that inform the decision, including the equality impacts and the legal duty under Section 149. However, it is considered that the proposed Enhanced Partnership Plan and Enhanced Partnership Scheme have positive equality implications under the Equality Act 2010.

## **10. Climate Change Implications and Advice**

- 10.1 The Initial BSIP/Enhanced Partnership Plan sets out the scale of change required to meet the region's net zero targets by 2035. At present the region does not have any zero emission buses and the BSIP identifies the trajectory, costs and initial projects that could begin the transition from diesel to alternative fuels – some of these initial projects are included in the initial Enhanced Partnership Scheme.

## **11. Information and Communication Technology Implications and Advice**

- 11.1 None as a consequence of this paper.

## **12. Communications and Marketing Implications and Advice**

- 12.1 Should the Board approve the next stage of the Enhanced Partnership, there will be a period of public consultation in early 2022 following the period of statutory consultation with bus operators, which will require the support of the Communication and Marketing teams.

## **List of Appendices Included**

- A Framework of the Enhanced Partnership Plan
- B Proposed South Yorkshire Enhanced Partnership Scheme Components
- C Proposed South Yorkshire Scheme

## **Background Papers**

South Yorkshire Bus Service Improvement Plan (Initial Version) – October 2021

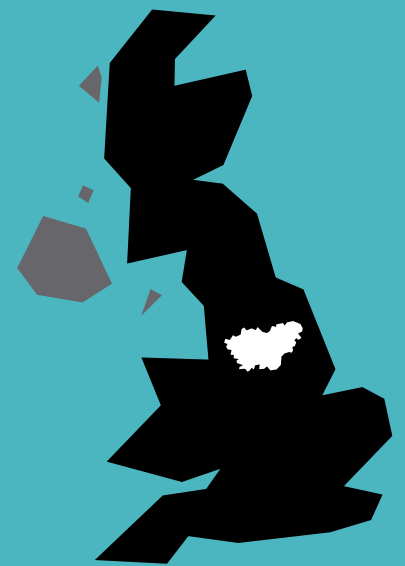
<https://southyorkshire-ca.gov.uk/explore/transport>



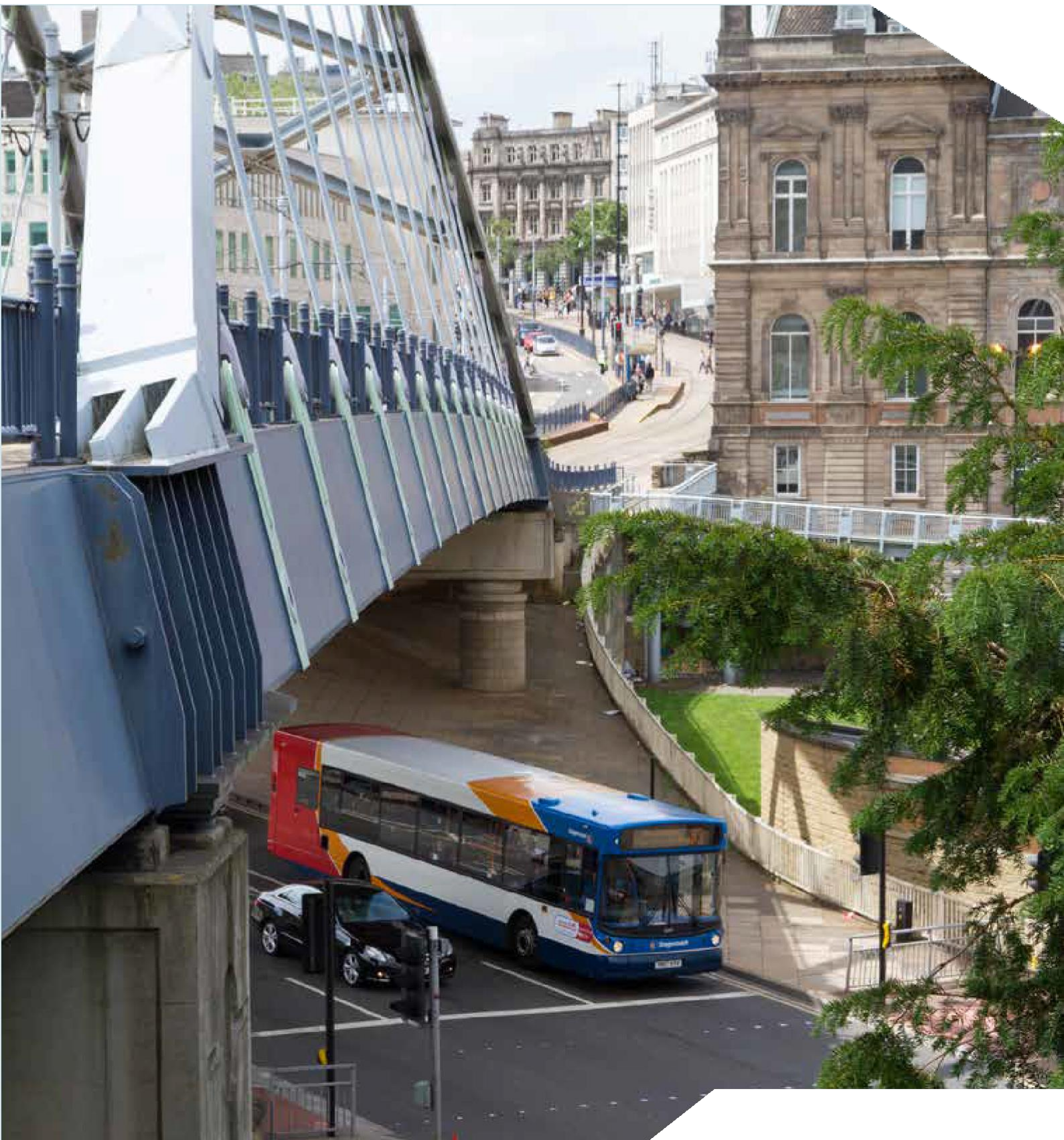
# Enhanced Partnership Plan

Draft

November 2021







# Contents

|   |    |
|---|----|
| Executive Summary .....                   | 4  |
| Introduction.....                         | 6  |
| Current South Yorkshire Bus Network ..... | 11 |
| Wider Context .....                       | 32 |
| What We Want from Our Bus Network .....   | 41 |
| Delivering the Plan.....                  | 46 |

## **Appendices**

|            |                                      |
|------------|--------------------------------------|
| Appendix A | Derivation of Prioritised Activities |
|------------|--------------------------------------|

# Executive Summary

Buses play a vital role in creating a stronger, greener and fairer South Yorkshire. Buses connect people to jobs, education, shops, health, leisure, family and friends; they are part of the fundamental fabric that shapes economic and social cohesion in our places and communities.

For many people however, the bus does not present a viable transport option, because of where the network runs, times of operation, affordability and issues of security and accessibility. This cannot continue.

The need for action is central to “Bus Back Better”<sup>1</sup>, the National Bus Strategy, published in March 2021. The strategy highlighted many failings of bus networks nationally. These same failings are also very evident in South Yorkshire and were foremost in the Independent Bus Review led by Clive Betts MP in 2020. Both conclude that if the goal of more people travelling by bus is to be realised, then there is a need to make buses more frequent, more reliable, easier to understand and use, better co-ordinated and cheaper.

In response to these challenges, the bold pledges we have set for the future of our bus network are therefore:

- **A cap on daily and weekly fares and free travel for under 18s**, plus access to cashless ticketing to create an easy to use system.

We want to create affordable fares and simplify options for passengers with products that are valid across all operators. This will help to maximise passenger numbers, enable access to transport for lower income groups and make the cost of travelling by bus more competitive compared with other modes.

- **A faster, more reliable and punctual system** helped by significant bus priority measures. We want a network which serves every community across the region, with “turn up and go” (or demand driven) frequencies and better services in evenings and at weekends with a close integration of public transport in planning for all new developments.

- **A better bus experience** from shelters to information, backed by a new customer charter.

We want to see significant investment in new on-street infrastructure, real time displays and improved information at travellers’ fingertips to enable passengers to travel confidently. We will review and coordinate timetables to provide a joined-up network across bus, train, tram, active travel, and park and ride. We will agree a new Customer Charter between authorities and operators to help improve the passenger experience.

- **A new zero emission bus fleet** and on-demand bus service

We will introduce new, electric buses which will contribute to a zero emission fleet by 2040 at the latest. We want to start a new on-demand bus pilot scheme, allowing buses to be booked ahead of travel as well as improve access to bus services for all communities of South Yorkshire.

This is the standard of bus system South Yorkshire needs and we have to be clear what we need to do to get there. The impact of COVID-19 on the bus network has been significant as annual **passenger miles fell by 23 million**, bus miles operated reduced by 11.5% and funding was **48%**

<sup>1</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/980227/DfT-Bus-Back-Better-national-bus-strategy-for-England.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/980227/DfT-Bus-Back-Better-national-bus-strategy-for-England.pdf)

**less than it was in 2010.** This document sets out an immediate roadmap to recovery (with **Chapter 1** showing the geography of the Enhanced Partnership Plan) plus the structural progress that is needed to transform our bus system.

**Chapter 2** of this document outlines the condition of the current South Yorkshire bus network highlighting the decline experienced over the decade before the COVID-19 pandemic as well as looking at areas of demand, mode share and overall network performance. Understanding what customers want is an important part of the development process for this Plan and in **Chapter 2** we also look at passenger satisfaction. Through our research passengers were generally satisfied with their overall bus journey in March 2020, yet when it comes to the condition of their bus stop, the quality of the information on offer and driver behaviour, passengers are less satisfied.

Customers have also identified fares and ticketing as requiring attention due to the range of ticketing options available. This need for simplification was also highlighted alongside a desire for more flexibility; highlighting that whilst the overall cost is important, there are other factors to consider when it comes to fares and ticketing.

**Chapter 3** sets out the social, environmental, and economic context that our bus service operates within and the contribution it makes to delivering our **Strategic Economic Plan (SEP)**. This chapter highlights the links to our **wider decision making and how local policies** can be used to support the operation of bus services across the region, including a look at how data sharing and embracing technology can support an efficient bus operation.

Understanding what is needed from our bus network is key when setting out plans for transformation. **Chapter 4** sets out the vision for our bus network. This was developed in partnership with local authorities and bus operators and drew links with our City Region Sustainable Transport Settlement (CRSTS), recognising the significant role this funding will play in delivering many elements of the Enhanced Partnership Plan. This chapter also addresses the mandatory targets we have set for journey times, reliability, passenger numbers and average passenger satisfaction, which will all be monitored and publicly reported in line with DfT guidance.

An indication of how the Plan will be delivered, including the identification of a package of short term improvements and the broad components of the Enhanced Partnership is contained in **Chapter 5**. A list of 40 key activities that are linked to the objectives of our SEP and CRSTS bid and aligned with the requirements set out in the National Bus Strategy, demonstrate how the region will deliver its vision for bus and achieve the objectives of our Plan. This chapter also recognises that the interventions will take time and funding to implement with different approaches to implementation that reflect current legislation.

The Enhanced Partnership Plan is intended to be a 'living' document and in **Chapter 6** we set out our plans to update the Plan in line with the start of the Enhanced Partnership in April 2022, and thereafter on an annual basis as our bus system evolves to ensure that it remains current and fit-for-purpose.

We recognise that the realisation of our Plan will need significant funding at a time when local government is under huge pressure and the immediate focus is recovery, including for bus services. **We will be resolute in our commitment** and belief that better transport can create stronger growth, higher productivity, and a faster recovery for our local economy and to benefit the wellbeing, inclusion, and quality of life for our residents.



# 1. Introduction

Buses are a critical element of the South Yorkshire transport network – connecting people to jobs, education, shops, health and leisure facilities, as well as family and friends. They have a vital role to play in driving economic growth and social inclusion, reducing congestion, revitalising our communities and cities, and cutting our carbon emissions. Their importance in delivering a stronger, greener, fairer future South Yorkshire must not be underestimated – and we must ensure that buses have the support they need to play their full part in the future transport network of our region.

Yet the South Yorkshire bus network is in decline. Over the decade before the COVID-19 pandemic, annual passenger miles fell by 23 million, bus miles operated reduced by 11.5% and funding was 48% less than it was in 2010. At the moment, for many people, the bus does not present a viable choice, either because of where the network runs, or its times of operation, or its affordability, or even because of issues of security and accessibility. This cannot continue.

The South Yorkshire Bus Review<sup>2</sup> (led by Clive Betts MP), published in June 2020, laid bare many of the issues with the South Yorkshire bus system, highlighting eight key findings that need to be addressed:

- **Frequency:** Service frequency is poor in some areas and has fallen dramatically in many parts of South Yorkshire
- **Reliability:** The network experiences significant reliability issues, adversely affecting customer confidence
- **Climate Change:** Buses need to play a bigger role in reducing local road transport emissions, given that local road transport contributes to 36% of all CO2 emissions in South Yorkshire
- **Policy Alignment:** Many new developments have limited or no bus service
- **Connectivity:** There is poor connectivity within the bus network and poor integration between buses and other modes of transport
- **Service Changes:** The network is not stable and passengers experience amendments to services on a regular basis
- **Ticketing:** Ticketing options are varied and confusing
- **Quality and Accessibility:** Standard of bus network is variable, and the passenger offer (including fleet) can differ greatly across South Yorkshire.

Public consultation was at the heart of the Bus Review – over 5,900 responses were received from residents (both users and non-users) community groups, businesses, organisations and interest groups about their experiences of the bus network – providing a rich evidence base on which to develop plans to address these issues.

As with a number of other modes, planning and delivery of buses across South Yorkshire is fragmented – the planning of services and routes are driven by commercial considerations, the specifications and partnership working that has been seen to date often driven by legislation, and the funding provided often minimal in comparison to heavy rail. Put simply, the way in which the bus network is planned, funded and operated is not driven by the customer – the

<sup>2</sup> [https://sheffieldcityregion.org.uk/getmedia/ba9b55bc-9e8f-4165-b45b-03d130dacb8d/Bus-Review-Report- June-2020-\(accessible\).pdf](https://sheffieldcityregion.org.uk/getmedia/ba9b55bc-9e8f-4165-b45b-03d130dacb8d/Bus-Review-Report- June-2020-(accessible).pdf)



very population who should have the greatest input in these areas for a thriving network.

The South Yorkshire Mayoral Combined Authority's (MCA's) response to the Bus Review was equally as important and forward thinking. A set of six principles were agreed in July 2020 that would be used to drive improvements on the bus network and a comprehensive programme of analysis was established to guide the MCA's understanding of what the future bus network should look like to address the issues identified in the Bus Review.

In addition to addressing these issues, the aim of the analysis was to consider a bus network that would underpin the Mayoral Transport Strategy's vision to "build a transport system that works for everyone, connecting people to the places they want to go within the city region....and will be safe, reliable, clean, green and affordable."

In practical terms, the ambition for our bus network that we are working towards includes:

- **A cap on daily and weekly fares and free travel for under 18s**, plus access to cashless ticketing to create an easy to use system

We want to create affordable fares and simplify options for passengers with products that are valid across all operators. This will help to maximise passenger numbers, enable access to transport for lower income groups and make the cost of travelling by bus more competitive compared with other modes.

- **A faster, more reliable, and punctual system** helped by significant bus priority measures

We want a network which serves every community across the region, with "turn up and go" (or demand driven) frequencies and better services in evenings and at weekends with a close integration of public transport in planning for all new developments.

- **A better bus experience** from shelters to information, backed by a new customer charter

We want to see significant investment in new on-street infrastructure, real time displays and improved information at travellers' fingertips that will enable passengers to travel confidently. We will review and coordinate timetables to provide a joined-up network across bus, train, tram, active travel, and park and ride. We will agree a new Customer Charter between authorities and operators to help improve the passenger experience

- **A new zero emission bus fleet** and on-demand bus service

Introducing new, electric buses will contribute to a zero emission fleet by 2040 at the latest, and starting with a new on-demand bus pilot scheme, allowing buses to be booked ahead of travel, we'll improve access to bus services for the communities of South Yorkshire.

We want buses to be at the heart of a coherent, integrated transport system for South Yorkshire, enabling a shift away from cars based on a convenient, affordable, effective service. We want buses to help revitalise and grow our urban centres and our rural villages, to clean our air and cut our carbon emissions, to widen access to transport and improve quality of life for everyone.

This is the bus system we need to get to for South Yorkshire, but we need to be clear how far we still have to go and what we need to do to get there. This document sets out an immediate roadmap, but structural progress will need significant funding at a time when local government is under huge pressure and the immediate focus is recovery, including for bus services.

Adequate central support is essential. Progress also depends on the right conditions – we have to get the sequencing of measures right so that we support rather than undermine the local economy. Mode shift away from cars needs to happen, but it needs an alternative to be in

place that cantake up the slack and ensure that local businesses and the local economy do not suffer.

We want our buses to play that positive economic role at a strategic level. The South Yorkshire network needs to help deliver the objectives of the Local Enterprise Partnership Strategic Economic Plan<sup>3</sup> (SEP), published in January 2021. The SEP sets out how the economy, lives, and wellbeing of people in the region will be transformed over the next 20 years and is based on three overarching policy objectives: economic growth, inclusion, and sustainability – the three pillars of, stronger, fairer and greener. The SEP also set specific objectives in relation to transport under these three headings:

- Incentivise public transport usage, which will support economic productivity
- Improve the passenger journey experience, making public transport more accessible
- Increase the number of zero emission buses on our transport network.

Done well, better transport can create stronger growth, higher productivity, and a faster recovery for our local economy, in addition to other benefits for wellbeing, inclusion, and quality of life.

The need for action was given further impetus by the publication of “Bus Back Better”, the National Bus Strategy, in March 2021. The strategy highlighted many of the failings of bus networks nationally that are prevalent in South Yorkshire and concluded that if the goal of more people travelling by bus is to be realised, then there is a need to make buses more frequent, more reliable, easier to understand and use, better co-ordinated and cheaper.

“Bus Back Better” requires all Local Transport Authorities (LTAs) outside London to develop Bus Service Improvement Plans (BSIPs), the initial version of which was to have been prepared by the end of October 2021. BSIPs should:

- Be developed by LTAs in collaboration with local bus operators, community transport bodies and local businesses, services and people
- Cover the LTA’s full area, all local bus services within it, and the differing needs of any parts of that area (e.g. urban and rural elements)
- Focus on delivering the bus network that LTAs (in consultation with operators) want to see, including how to address the under provision and overprovision of bus services and buses integrating with other modes
- Set out how they will achieve the objectives in the strategy, including growing bus use, and include a detailed plan for delivery.

The initial version of the BSIP was agreed by the South Yorkshire MCA in October 2021 and has been used to develop this Enhanced Partnership Plan, which covers the geographical area of South Yorkshire and includes the four local authority areas of Barnsley, Doncaster, Rotherham and Sheffield, as shown in Figure 1. This area was chosen to represent the most coherent economic geography for the Plan in line with the area covered previously by the South Yorkshire Passenger Transport Executive (SYPTTE). We have also consulted our cross boundary partners and can confirm that the intended effect of delivering our Enhanced Partnership Plan does not have an adverse impact on neighbouring authorities.

---

<sup>3</sup> [https://sheffieldcityregion.org.uk/getmedia/4256c890-d568-42c8-8aa5-c8232a5d1bfd/SCR\\_SEP\\_Full\\_Draft\\_Jan\\_21-\(accessible\).pdf](https://sheffieldcityregion.org.uk/getmedia/4256c890-d568-42c8-8aa5-c8232a5d1bfd/SCR_SEP_Full_Draft_Jan_21-(accessible).pdf)

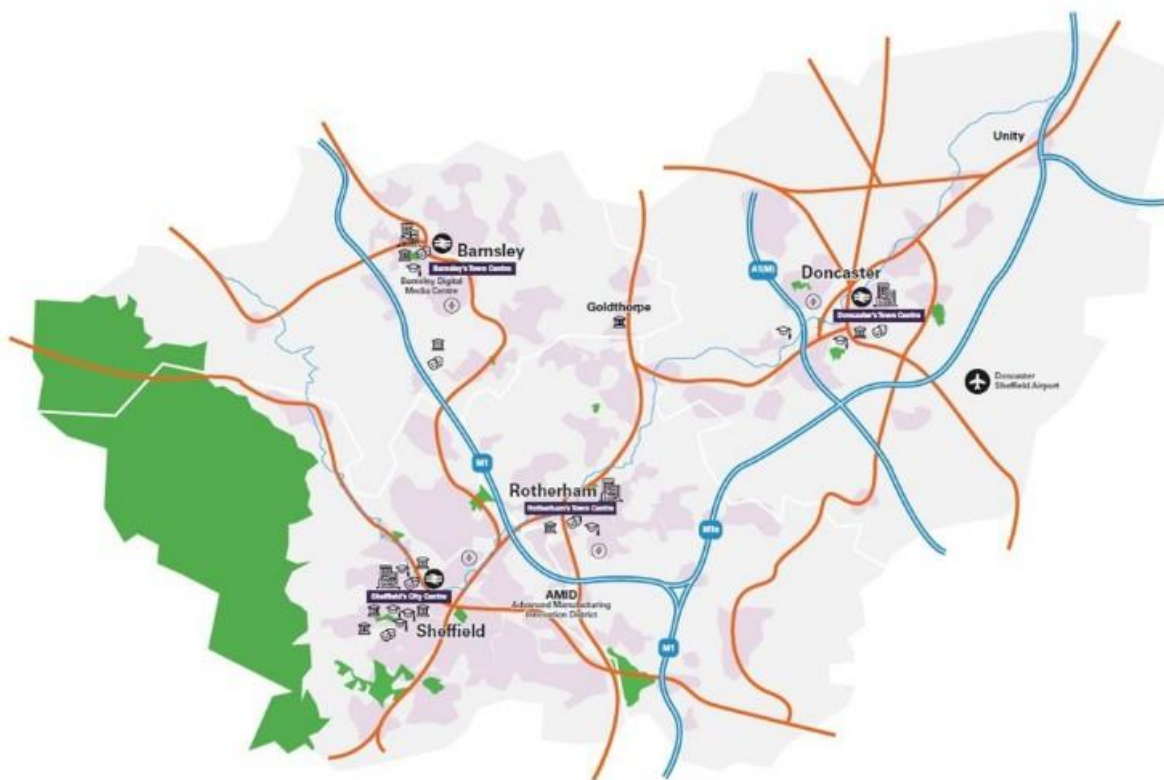


Figure 1 – South Yorkshire

This Enhanced Partnership Plan uses much of the evidence gathered in the Bus Review to set out the current situation with the South Yorkshire bus network, and also uses the outcomes to date of the analysis commissioned by the MCA following the Bus Review to provide an indication as to what sort of bus network is needed going forwards. This analysis is ongoing at the time of publication of this Plan and so will be used to enhance further iterations of the document.

In June 2021, the MCA committed to develop an Enhanced Partnership to support the future bus network, to become operational from April 2022, and this Plan will be a crucial part of the suite of documents that will underpin the new arrangements.

The Enhanced Partnership approach in the short term builds on existing bus partnerships in South Yorkshire. Voluntary bus partnerships between the constituent local authorities and bus operators were introduced progressively in each of the four local authority areas between 2012 and 2017 and are overseen by SYPTE. The model means some operational decisions (for example, route changes) are taken in consultation between operators, local authorities, SYPTE, as well as the public where appropriate. The Enhanced Partnership will be supported by new governance arrangements that include wider passenger representation and a commitment to hold all parties to account for delivery.

Qualifying agreements are used to help service co-ordination, however, there remain some decisions that cannot be taken by the voluntary partnerships for legal reasons, even where there is willingness to reach agreement between operators. This includes setting fares and running services on the network, which operators are prohibited to reach agreement on by competition law. Therefore, the MCA has also committed to undertake a review of potential future delivery models for the South Yorkshire bus network, based on the findings of the analysis that supports this Enhanced Partnership Plan.

For now, though, this Plan is a crucial document – it sets out how the MCA envisages the South Yorkshire bus network first continuing its recovery from the impacts of the COVID-19 pandemic and then building towards the network that is required to support its aims and objectives. The aim is to develop a network that is more reliable, higher quality and offers better value.

Following this introduction, the Enhanced Partnership Plan covers the following elements:

- A brief description of the current South Yorkshire bus network
- A consideration on the wider social, economic and environmental context, and the links to the policies of the MCA and the constituent local authorities that will influence the bus network
- An outline of what the MCA wants from the South Yorkshire bus network, in terms of the main outcomes and impacts, as well as some headline targets
- An indication of how the Plan will be delivered.

The Plan is intended to be a ‘live’ document and updated in line with the start of the Enhanced Partnership in April 2022, and thereafter on an annual basis as the South Yorkshire bus system evolves to ensure that it is still current and fit-for-purpose. It is intended that this Enhanced Partnership Plan will last for a period of five years.



# 2. Current South Yorkshire Bus Network

## Introduction

This section includes a brief description of the current South Yorkshire bus network. It draws on much of the evidence base developed through the Bus Review to provide an indication of the current conditions across a range of factors considered to be important as defined in the National Bus Strategy, but also outlines the impacts of the COVID-19 pandemic that need to be addressed.

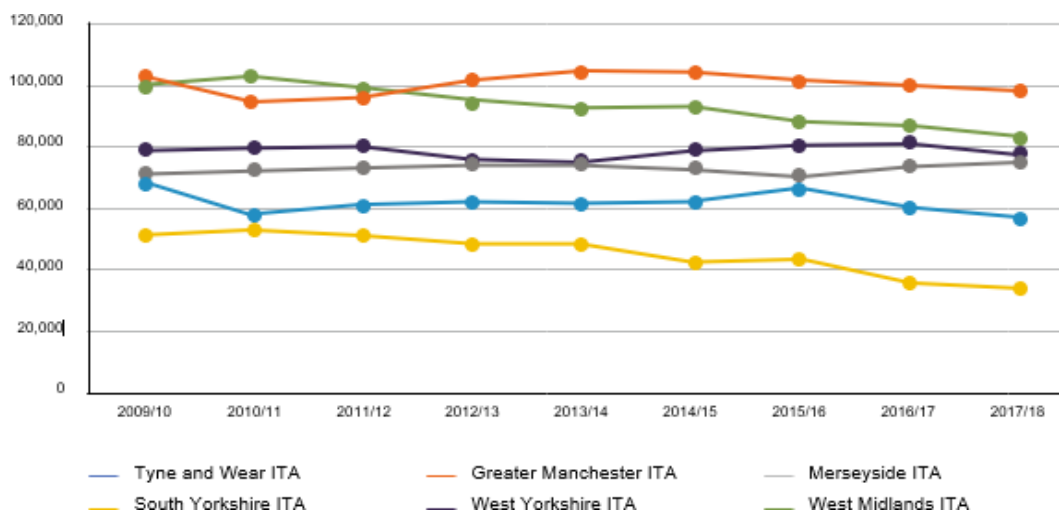
## Network Coverage and Operation

The existing bus network covers all four constituent local authority areas of South Yorkshire and includes some cross-boundary services into the East Midlands, North Lincolnshire and West Yorkshire. The network covers a total of almost 25 million miles, although this has fallen by over 11% over the last ten years, as noted previously.

The commercial bus services using this network are currently operated by 11 different bus operators, of which the two largest operators are First South Yorkshire and Stagecoach Yorkshire, which between them operate 96% of the annual bus mileage across the region.

Some services which are not commercially viable can be designated as socially necessary (for example, those that serve rural or suburban areas or that operate during evening and weekends). These are paid for by the local authorities but commissioned centrally by SYPTE following the Tendered Services Criteria Model on their behalf. As of April 2021, there are 93 routes supported by tendered services, representing nearly 140 service numbers, and covering 85,490 weekly miles, equivalent to 4.45 million miles each year. The tendered services budget for 2020/21 was £5.8 million.

Local authority budget cuts have led to a reduction of SYPTE's budget by 40% in real terms over the last decade, with a 39% cut to the funding of supported services. This budget reduction far exceeds that of other metropolitan areas outside London in percentage terms, as shown in Figure 2.



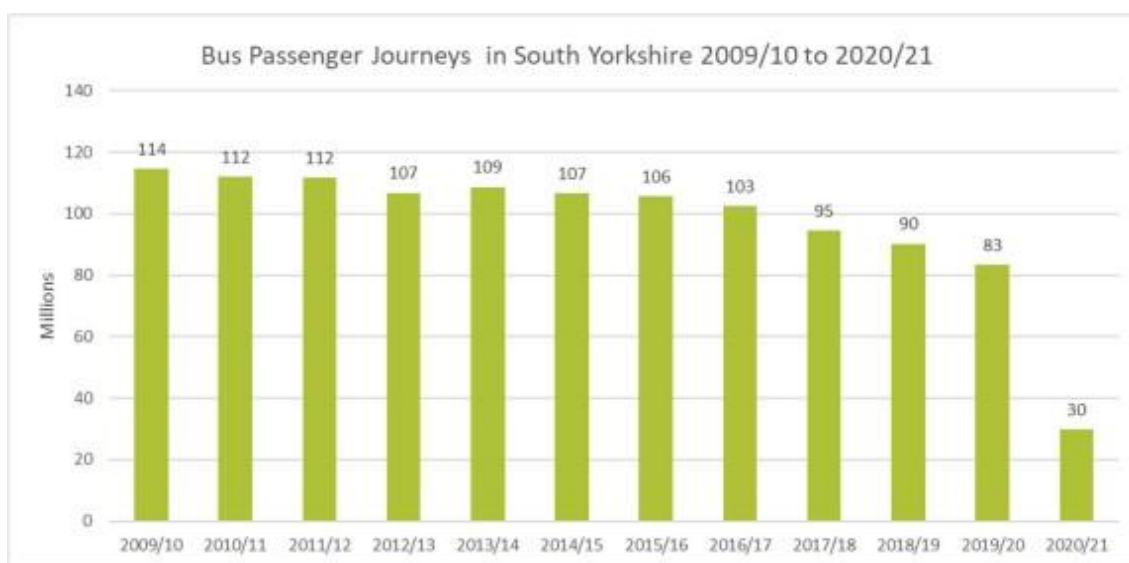
**Figure 2 – Spend on Supported Services and Concessions across main urban areas outside London (£ million)**  
(Source: DfT)



As well as standard bus routes, in each of the four local authority areas, there are community transport operators who deliver much needed transport services (including ‘dial a ride’, transport to shopping locations and group travel) to people who may find it difficult to access the main public transport network due to age, geographic isolation or disability. Services across the region are delivered under one brand, ‘Door2Door’ with Sheffield Community Transport as the lead operator, subcontracting to other community transport operators across South Yorkshire as needed. The community transport budget for 2020/21 was £1.7 million.

## Patronage

Bus patronage in South Yorkshire has been in steady decline for over a decade, many of the reasons for which were explored in the Bus Review. Passenger journeys in South Yorkshire fell from nearly 115 million in 2009/10 to just over 90 million in 2018/19 (the last full year before the COVID-19 pandemic) – a fall of over 21%. The COVID-19 pandemic has accelerated this decline over the last 18 months, as shown in Figure 3.



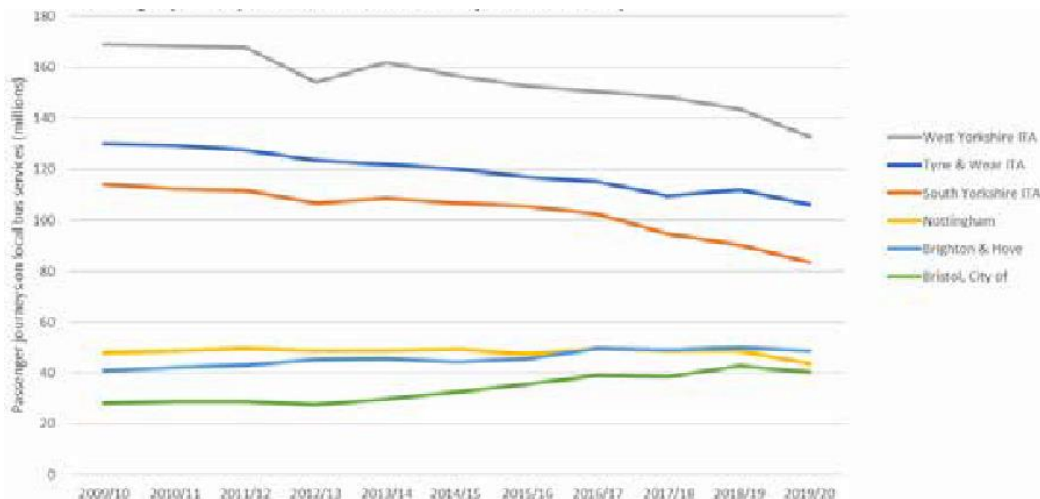
**Figure 3** – Passenger Journeys on Local Bus Services in South Yorkshire since 2009/10 (Source: SYPTE from Bus Operators)

This is not an uncommon trend in metropolitan areas outside London as shown in Figure 4, such as West Yorkshire and Tyne and Wear local authority areas, although the decline in South Yorkshire has been steeper. In Tyne and Wear, where there was a small increase in bus use before the pandemic, the overall decline over the same period was around 14%, whilst in West Yorkshire, the decline was around 15%. (Note that the figures may differ slightly for South Yorkshire from those shown in Figure 3 due to different data collection regimes between the information received by SYPTE from the bus operators and that published by the DfT). It is also worth noting that bus use in London has been falling for the past six years too.

However, Figure 4 also shows that some urban areas, referenced in the National Bus Strategy, have bucked the national trend of patronage decline, although some of the more recent increases are modest. These examples are characterised by a large dominant urban centre and a large principal bus operator, and so may not be directly comparable to South Yorkshire, but there are clear lessons to be learnt from these areas.

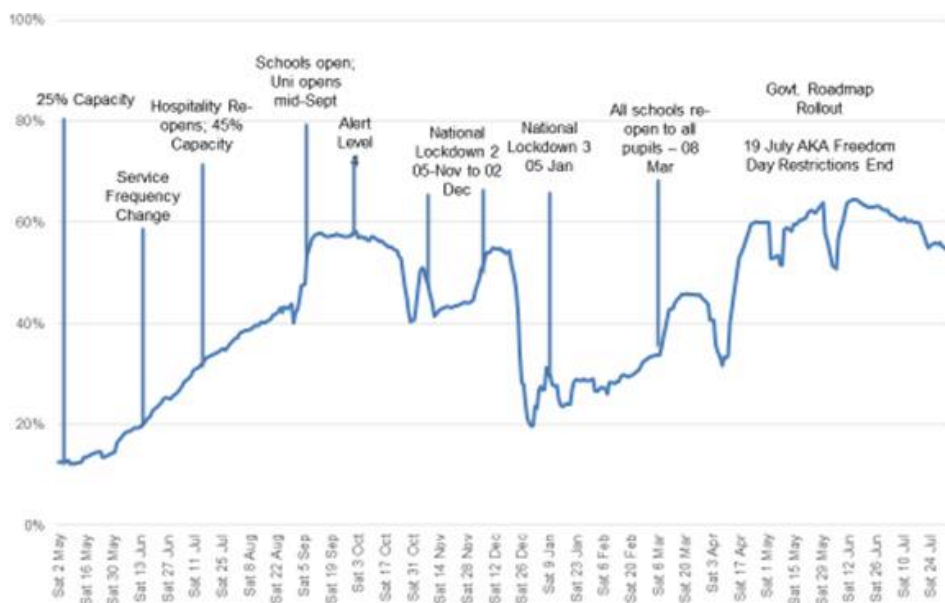
Patronage decline has been most significant among English National Concessionary Travel Scheme (ENCTS) pass holders. Patronage for this passenger group fell by 35% between

2009/10 and 2019/20. The Bus Review found evidence that the decline in ENCTS patronage has been driven by local and national changes to pass restrictions (such as the end of local enhancements to extend the duration of pass acceptance) but also the increased retention of private vehicles by older people and increased levels of physical activity. Reduced ENCTS patronage has created a significant exit from the bus network of passengers who have been using services otherwise on the cusp of commercial viability.



**Figure 4 – Passenger Journeys on Local Bus Services by Local Authority since 2009/10 (Source: DfT)**

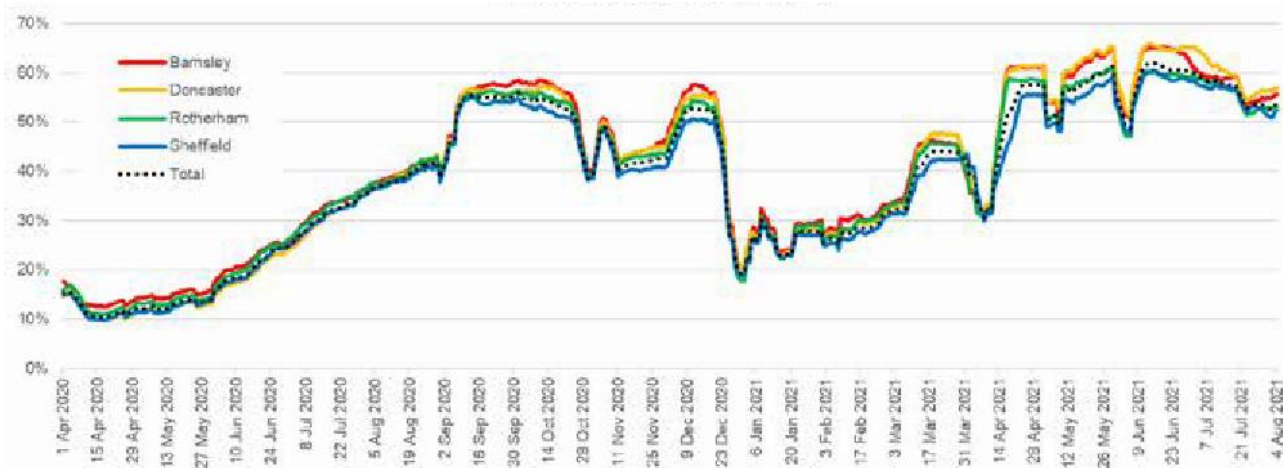
Figure 5 shows the more recent fluctuations in patronage since 2019/20 over the course of the COVID-19 pandemic, in a little more detail, alongside key events over the past 18 months. As restrictions eased and were tightened through 2020 and 2021, patronage recovered to a high of 64% in early June, before reducing slightly again as the remaining national restrictions were eased, with the start of the main school holiday period at the end of July explains the most recent reduction shown.



**Figure 5 – Bus Patronage across South Yorkshire as a Percentage of pre-COVID (January 2020) Levels since May 2020 (Source: Bus Operators)**

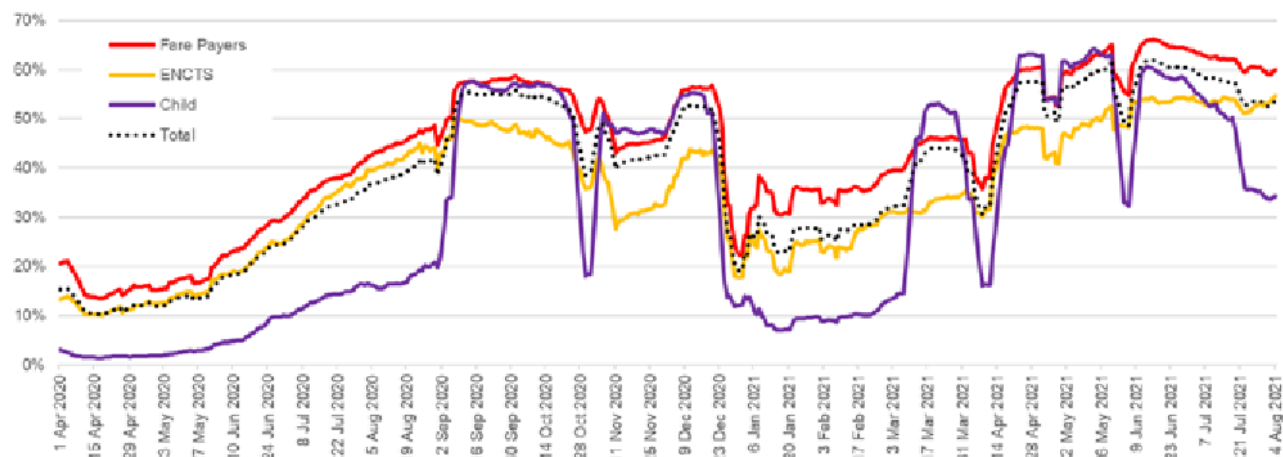


The latest figure for overall bus patronage in South Yorkshire is just under 74% of pre-COVID levels (taken as January 2020), measured at mid-September 2021. There are variations in recovery in each local authority area, with Barnsley at 76.3%, Doncaster 76.2%, Rotherham 70.3% and Sheffield 68.4%, and also by customer group (child, ENCTS and fare-payers). These differences are shown in Figures 6 and 7 respectively.



**Figure 6 – Bus Patronage by Local Authority as a Percentage of pre-COVID (January 2020) Levels since April 2020 (Source: Bus Operators)**

Figure 7 in particular shows the continued decline in ENCTS passengers, which has only recovered to just under 60%, but remains significantly below the other customer groups driven by the lower return of senior travel.



**Figure 7 – Bus Patronage by Customer Group as a Percentage of pre-COVID (January 2020) Levels since April 2020 (Source: Bus Operators)**

As of March 2020, Fare Payers accounted for 55% of bus passengers across South Yorkshire, ENCTS passengers for 27% and Child passengers for 17%. The proportion of Fare Payers varied across the four local authority areas as follows:

- Barnsley – 49%
- Doncaster – 51%
- Rotherham – 49%
- Sheffield – 59%

The COVID-19 pandemic has also impacted where passenger demand is even within local authority areas. Figure 8 shows the routes and areas with the highest demand but also where there have been the most marked changes in demand since 2019. These changes reflect people’s different travel behaviour since the onset of the pandemic, for example in Sheffield, where reduced numbers of students studying on campus have reduced demand on bus services serving Ecclesall Road routes.

## Bus Patronage

### Local Impacts

#### Changes in demand by 2021



Figure 8 – Most Marked Bus Patronage Changes by Route/Area between 2019 and 2021

So, patronage trends were clearly downwards before the COVID-19 pandemic, with one third (33%) of bus users responding to the Bus Review said they travelled less by bus than they did 5 years ago, and over one fifth (22%) said they travelled less than they did 1 year ago. There are several factors that are limiting the return of passenger numbers even to pre-COVID levels, not least the change in working patterns likely to result from the extended period of home working and whether ENCTS trips will return to previous levels.

All of this suggests that patronage recovery will not be swift, even before thoughts of the growth envisaged in the National Bus Strategy can be entertained. Figure 9 shows the current forecasts for patronage recovery in South Yorkshire, set against recent trends (both total and customer type) and a trend that would see Child patronage returning to 100% of the trend, but Fare Payers and ENCTS passengers only returning to 80% of the trend level. As shown, despite recent recovery, patronage levels are not forecast to rise above 90% of pre-COVID trend levels in the next 12 months, even without further restrictions.



Figure 9 – South Yorkshire Bus Patronage Forecasts (Source: SYPTE)

Patronage recovery may not be aligned to previous travel patterns, either. Figure 10 shows bus patronage by time of day and day of week before March 2020, indicating the significant morning and evening weekday peaks in demand, driven by typical commuting patterns at the time. It is evident that there will be a change in commuting patterns, at least in the short term, driven by new models of hybrid working – what this means for bus patronage is not clear at this time, but this does suggest a need for some future flexibility in the bus network to respond to the changes, whatever they may be.

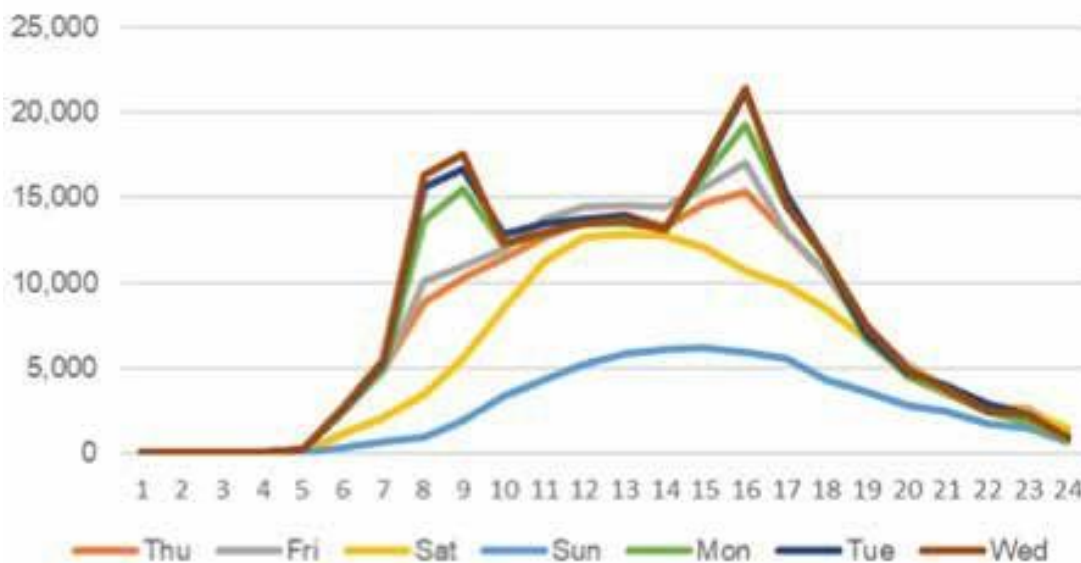


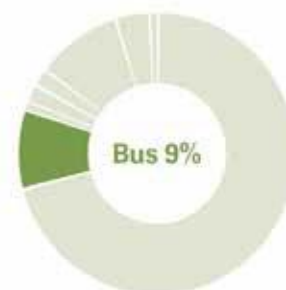
Figure 10 – Bus Patronage by Time of Day and Day of Week (Source: Bus Operators)

The commercial impact of reduced patronage through the pandemic has been significant. Bus services have been funded to date by the Government's COVID Bus Services Support Grant and further recovery funding announced in July 2021<sup>4</sup>, paid directly to operators, which has prevented the loss of any of the bus network in South Yorkshire up until now. However, this funding is due to expire at the end of March 2022, before patronage is forecast to recover to pre-COVID levels.

Even before the pandemic, South Yorkshire's bus system did not offer significant profitability for operators, for example, First South Yorkshire incurred an operating loss of just under £2.6 million in 2018/19. Analysis carried out by SYPTE (and verified independently by consultants) shows that over a ten year period, First South Yorkshire made an average annual operating loss of -1.3%, while over the same period Stagecoach Yorkshire made an average annual operating profit of +2.6%. Such operating margins would normally be used to fund investment in the network.

## Mode Share

Around 9% of journeys to work across South Yorkshire are currently made by bus. Compared with this, 71% of residents currently travel to work by car, and this proportion has increased since 2001. In 2019, 62% of all journeys in South Yorkshire were undertaken by car. Buses struggle to compete with private vehicle usage in South Yorkshire for many of the reasons outlined in the Bus Review, most notably in terms of reliability and the perceived cost of travel.



## Network Availability and Performance

The Bus Review contained a significant amount of information relating to the current South Yorkshire bus network and its performance, and so the following paragraphs contain a summary of the issues identified, many of which are unchanged from the significant public consultation exercise that was undertaken in 2019 to inform the Bus Review.

### Frequency

The Bus Review found that in many parts of South Yorkshire, service frequency is low or has fallen significantly, especially in rural and suburban areas where services are more commercially vulnerable and so are more sensitive to fluctuating demand. Figure 11 illustrates the frequencies of bus services across South Yorkshire in 2019, clearly indicating that service frequency is lowest in areas furthest away from urban centres.

4 <https://www.gov.uk/government/news/226-million-package-to-support-vital-bus-services>



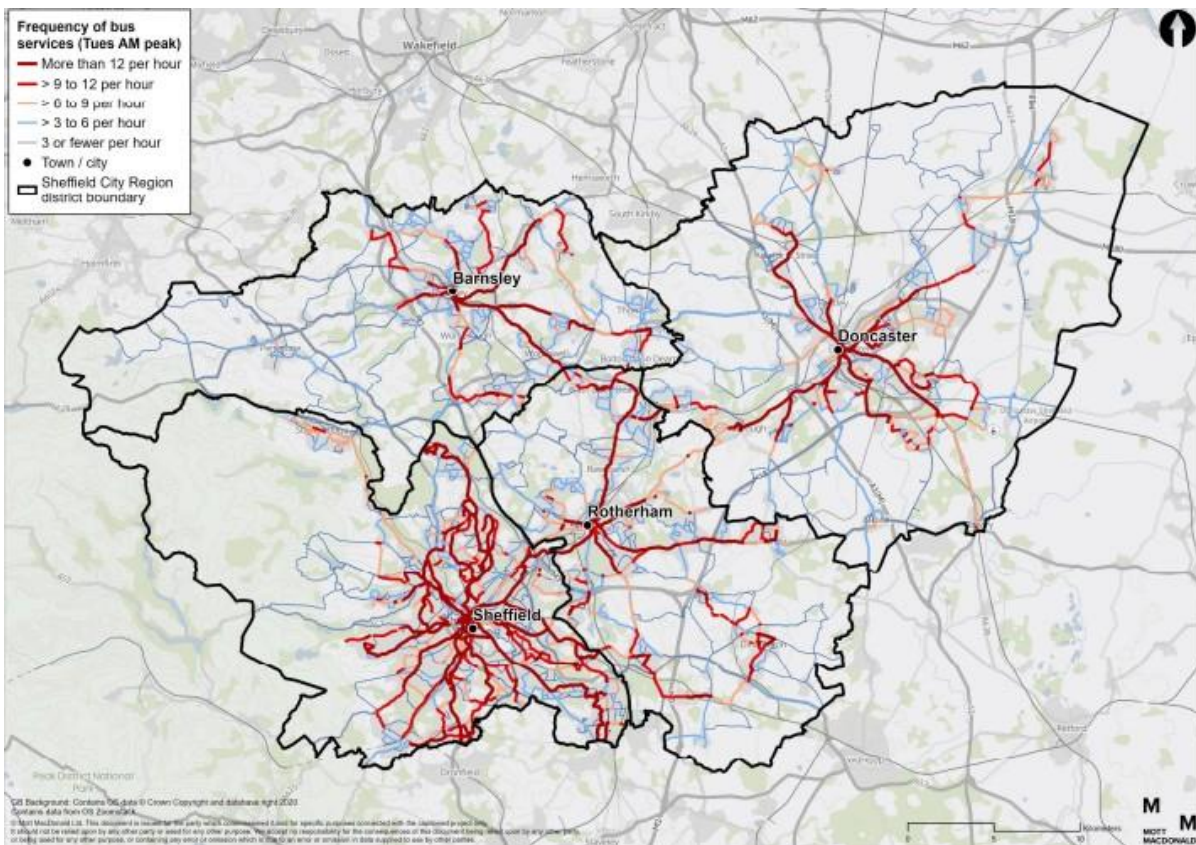


Figure 11 – South Yorkshire Bus Service Frequencies (2019)

The Bus Review also found that weekend and evening bus frequency is also a problem, even on more high frequency routes. Evidence submitted to the Bus Review summarised this: “Sunday and evening services have been dramatically cut. They may be ‘uneconomic’ but if you can’t use the bus in the evenings and Sundays, public transport becomes much less attractive to use as an alternative to the car”. This is incentivising more households to own private vehicles and travel by car over public transport, even where they are economically deprived.

In developing a future bus network to meet the needs of South Yorkshire, six place typologies have been developed, based on characteristics that link to the objectives for this Enhanced Partnership Plan. This includes a recognition of public transport uptake against national averages to define car or public transport-reliant communities and the ability for rail and tram to address connectivity requirements.

Inclusive growth characteristics such as communities in the top decile of deprivation were flagged, alongside whether communities were affected by transport poverty (a combination of low car ownership, high public transport reliance and high deprivation). Finally, accessibility analysis was used to identify communities that were further than 15 minutes travel time from their nearest regional hub via public transport, a key metric in the Mayor’s Transport Vision.

Within these six place typologies, three have been identified as having the potential to grow bus patronage through the provision of an enhanced service. First, Figure 12 shows the “potential bus communities” – places could be served by a bus service of some form, but where public transport uptake is currently low and there is no alternative tram/local rail option.

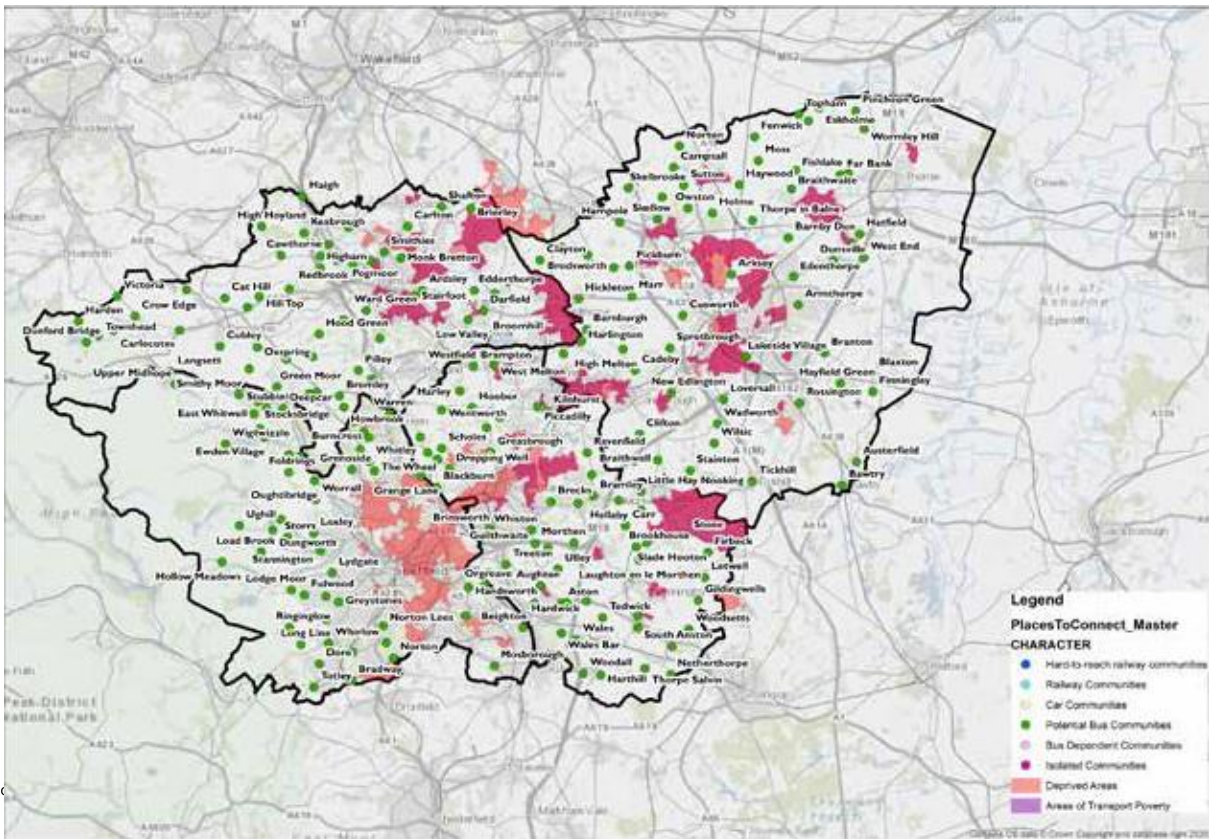


Figure 12 – South Yorkshire “Potential Bus Communities”

Figure 13 shows “isolated communities” – places which have higher than average public transport uptake but remain outside a 15 minute travel time to the nearest regional hub. 66% of such communities are also either deprived or experience transport poverty, meaning that they would also be a target for enhancing economic opportunity by improving public transport services.

Finally, Figure 14 shows “car communities” in South Yorkshire, which are typically suburban and rural, therefore demonstrating the correlation between poor bus service frequency and availability and higher car ownership. However, these communities have relatively easy access to the tram/local rail network, but no public transport connection to the nearest stop or station.





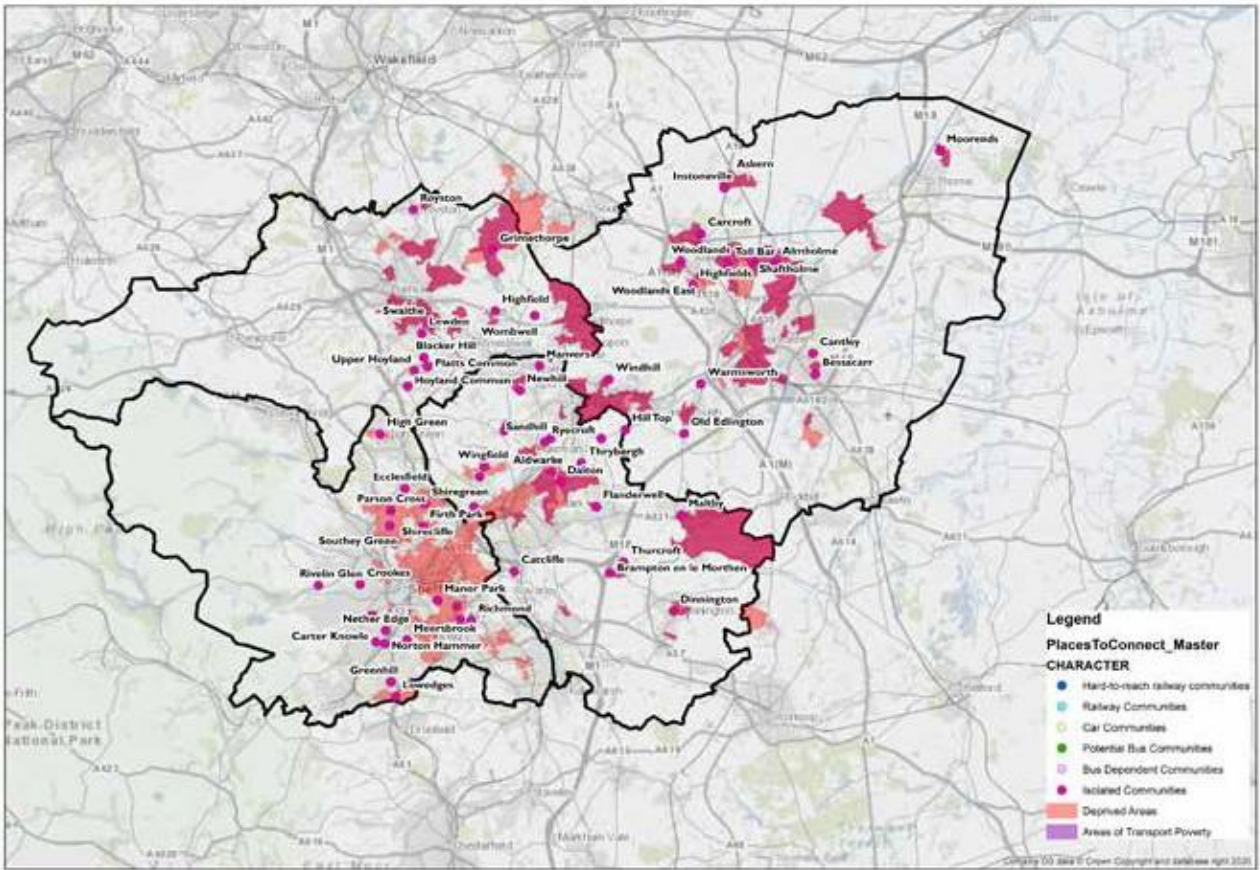


Figure 13 – South Yorkshire “Isolated Communities”

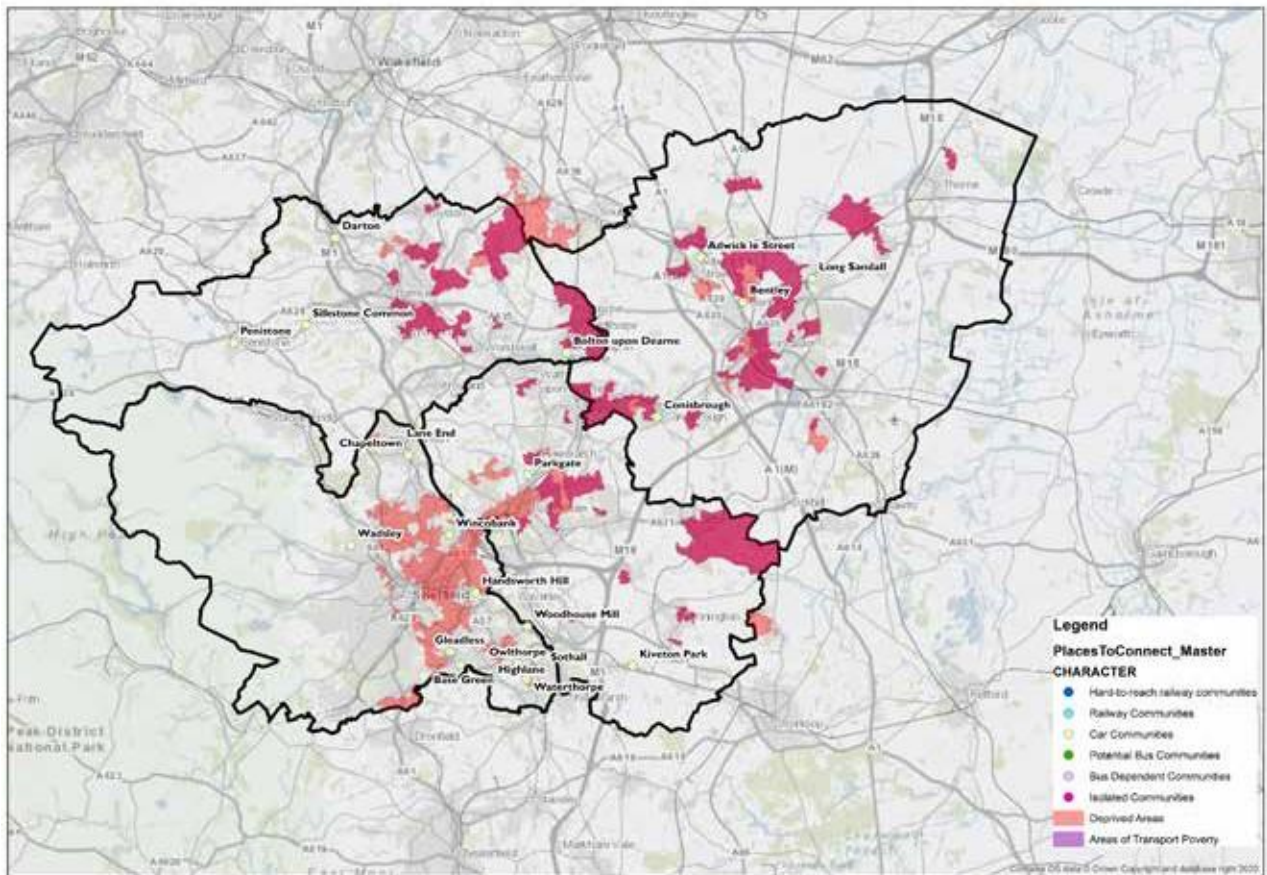


Figure 14 – South Yorkshire “Car Communities”



Work is ongoing to develop these concepts further and to understand where additional frequencies and/or additional services would most likely be financially sustainable and meet the wider MCA objectives. This will be complete in November 2021.

In the Bus Review, Commissioners did examine the relationship between patronage and frequency. Evidence submitted by SYPTE showed that alongside the decline in patronage, the number of bus miles operated across the region had also fallen by an average of 11.8% between 2009/10 and 2016/17. Operators reported that service reductions are made due to falling demand caused by factors such as increased car ownership and lifestyle changes. But the Bus Review did also find evidence that where demand has increased, operators have increased frequency to match passenger need.

### Punctuality

The Bus Review also made it clear that passengers face service punctuality issues across the network, most significantly on key corridors. Whilst these issues of punctuality have an impact on passenger confidence and satisfaction, they also have an adverse impact on the operation of the service itself, with some bus operators reporting a need to allocate additional vehicles to offset the impact of variable delays and/or having to make decisions about short-running or cancelling services due to delays across the network.

Data analysis using real time journey speed information shows that all the least punctual routes in 2019 are key corridors serving town and city centres, as shown in Figure 15. Figure 16 shows those locations where the most significant delays (based on the difference between off-peak and peak hour travel times) were experienced in 2019, overlaid onto the map of the least punctual routes.

## Bus Reliability

### Local Impacts

In 2019, the least punctual regular\* services were:

| Service No. | Route                                  | % Ontime |
|-------------|--|----------|
| 6           | Darnall - Millhouses                   | 65       |
| 30          | Sheffield - Crystal Peaks              | 67       |
| 19          | Rotherham - Worksop                    | 71       |
| X2          | Barnsley - Royal Hallamshire Hospital  | 72       |
| 97          | Hillborough - Totley                   | 76       |
| 87          | Doncaster - Moorends                   | 76       |
| X1          | Sheffield - Maltby                     | 76       |
| 252         | Sheffield Arundel Gate - Crystal Peaks | 76       |
| 52a         | Woodhouse - Wisewood                   | 77       |
| 98          | Hillborough - Totley Brook             | 77       |
| 18          | Meadowhall - City                      | 77       |

\* regular defined as services which run 12 times a day on average (approximately 1 bus per hour)

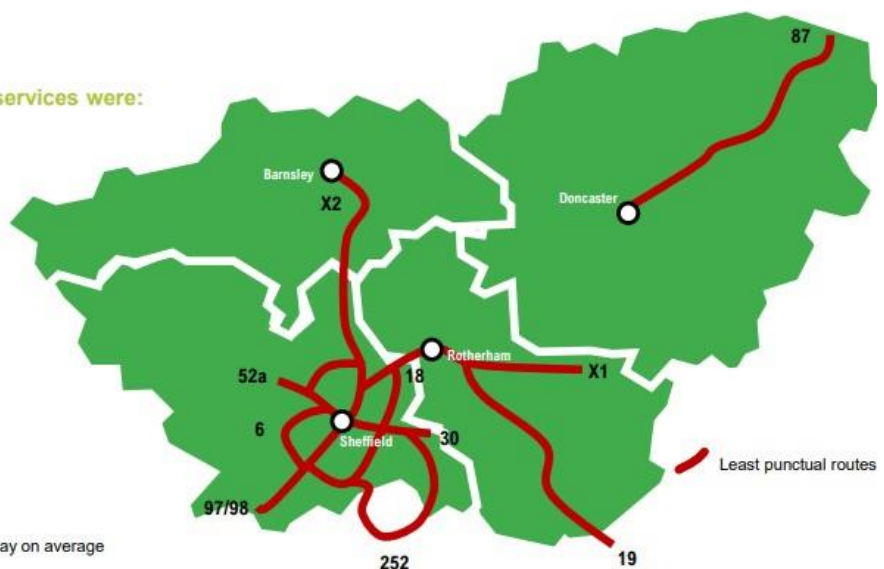


Figure 15 – Least Punctual Regular Services in 2019

# Bus Reliability

## Local Impacts

Real time bus information from 2019 highlights delays\* on the least punctual routes in the following areas:

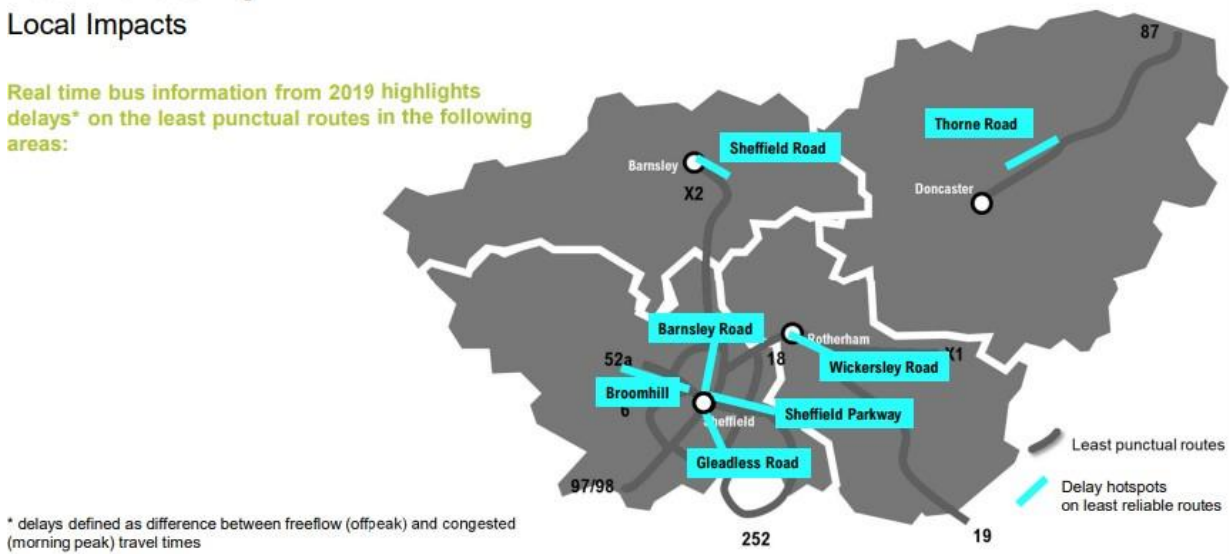
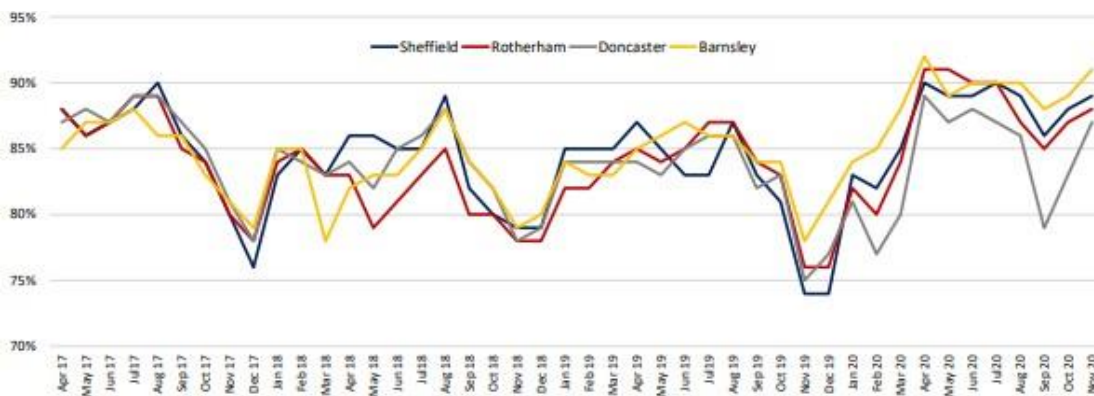


Figure 16 – Delay Hotspots on Least Punctual Routes in 2019

Bus punctuality in the four main urban areas of South Yorkshire is variable, as shown by the historic information summarised in Figure 17, with noticeable declines in punctuality in the October to December period.



Source: Travel South Yorkshire

Figure 17 – Bus Punctuality across South Yorkshire (Last Three Years) (Source: Travel South Yorkshire)

The table overleaf shows how punctuality differs across the times of day and days of week for a number of the more frequent services across South Yorkshire since April 2021. Evening peak punctuality is a particular issue, which coincides with historic timing of greatest demand, along with an exaggeration of delays accumulated through the interpeak period.

The latest overall punctuality figures for September 2021 are:

- Barnsley – 85%
- Doncaster – 79%
- Rotherham – 83%
- Sheffield – 78%
- South Yorkshire – 80%

| District  | Service | Mon-Fri       |              |           |              |         | Weekends  | Overall |
|-----------|---------|---------------|--------------|-----------|--------------|---------|-----------|---------|
|           |         | Early Morning | Morning Peak | Interpeak | Evening Peak | Evening | All Times |         |
| Barnsley  | 95      | 92            | 85           | 77        | 42           | 88      | 91        | 73      |
|           | 93      | 94            | 75           | 81        | 42           | 93      | 89        | 80      |
|           | 27B     | 95            | 95           | 89        | 61           | 71      | 91        | 84      |
|           | 226     | 97            | 92           | 84        | 70           | 92      | 91        | 88      |
|           | 22X     | 95            | 92           | 82        | 76           | 94      | 89        | 86      |
| Doncaster | 57F     | 89            | 77           | 83        | 58           | 92      | 94        | 79      |
|           | 57A     | 90            | 80           | 80        | 64           | 75      | 89        | 78      |
|           | 82      | 94            | 83           | 83        | 73           | 89      | 90        | 79      |
|           | 56      | 82            | 54           | 84        | 74           | 81      | 92        | 81      |
|           | 15      | 94            | 88           | 82        | 88           | 91      | 92        | 85      |
| Rotherham | 29      | 94            | 82           | 87        | 74           | 96      | 87        | 76      |
|           | 9       | 95            | 91           | 86        | 85           | 92      | 91        | 89      |
|           | 8       | 99            | 94           | 85        | 78           | 96      | 95        | 90      |
|           | 114     | 98            | 93           | 89        | 73           | 96      | 85        | 91      |
| Sheffield | 135     | 93            | 74           | 51        | 51           | 87      | 85        | 72      |
|           | 18      | 93            | 76           | 71        | 88           | 91      | 89        | 82      |
|           | 76      | 93            | 77           | 86        | 88           | 91      | 88        | 84      |
|           | 97      | 94            | 82           | 87        | 75           | 94      | 93        | 88      |
|           | 75      | 93            | 70           | 86        | 75           | 91      | 91        | 85      |
|           | FY 120  | 92            | 83           | 91        | 80           | 92      | 90        | 89      |
|           | STG 120 | 93            | 89           | 90        | 89           | 91      | 91        | 90      |
|           | 52      | 95            | 92           | 93        | 90           | 92      | 93        | 92      |
|           | 52A     | 93            | 87           | 83        | 81           | 92      | 90        | 87      |
|           | 24      | 95            | 95           | 92        | 92           | 95      | 93        | 93      |
| STG 25    | 95      | 92            | 91           | 83        | 71           | 94      | 90        |         |

These are the lowest since April 2021, coinciding with a gradual return to work and hence increasing car travel, highlighting the link between congestion and delays to bus services.

60% of respondents to the Bus Review survey said they were either dissatisfied or very dissatisfied with bus punctuality and representative groups who gave formal evidence to the review identified this as the greatest cause of patronage decline. Those least satisfied include females (32%), frequent users (33%), non-car owners (43%) and, by far the lowest customer segment, those living in Barnsley (16%).

### Reliability

Whilst punctuality measures whether a bus runs on time, reliability measures whether a service actually runs at all. Historically, reliability in South Yorkshire has been relatively good, measuring 99.0% in 2018/19 and 98.8% in 2019/20, but reliability remains an issue for passengers, particularly on lower frequency services where a service not running (for whatever reason) can result in significant delay and inconvenience.

### Journey Times

Actual journey times by service and by local authority have been tracked for a number of frequent services and Figure 18 shows the comparison between the journey times of these services between 2017 and 2019.

Overall, journey times on these selected services increased by 0.3%, however, there are significant variations between services across differing local authorities and also services operating within each local authority area, suggesting that a more granular approach to understanding the causes of longer journey times and therefore developing an action plan to address issues, is required.

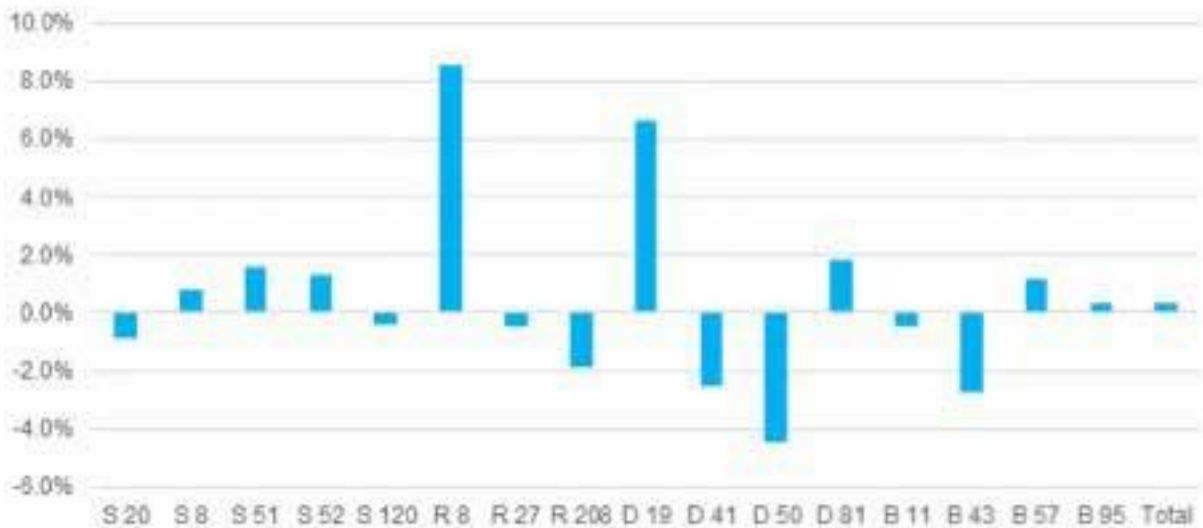


Figure 18 – Bus Journey Time Changes across Frequent Services between 2017 and 2019 (Source: SYPTE)

**Congestion**

The main cause of poor punctuality in South Yorkshire is road congestion, particularly on the major routes into and within the urban centres, for the most part caused by sustained increase in car usage. Whilst the COVID-19 pandemic has seen a 9% reduction in car traffic across roads in South Yorkshire, in parallel bus journey speeds have been faster and journey times shorter, showing the relationship between the two.

The cordon count data shown in the table below illustrates the correlation between the decrease in bus journeys identified previously and increased car usage (Note that the figures for 2020 are skewed by the impact of the COVID-19 pandemic).

| Mode | South Yorkshire-wide Cordon Count (vehicles) |         |         |         |
|------|--|---------|---------|---------|
|      | 2017   | 2018    | 2019    | 2020    |
| Bus  | 173,030                                      | 163,316 | 159,827 | 84,287  |
| Car  | 742,245                                      | 749,991 | 739,83  | 685,763 |

Congestion has a particularly significant adverse impact on the bus network across South Yorkshire. Increases in journey times reduce the attractiveness of the bus as a viable option and also affect individuals’ perceptions of accessibility to opportunities, as well as adding to the operating costs for bus operators. Information developed on behalf of First South Yorkshire indicates morning peak hour passenger weighted delays prior to the COVID-19 pandemic in 2019 across Doncaster, Rotherham and Sheffield due to congestion as shown in Figure 19.





**Figure 19** – Morning Peak Hour Passenger Weighted Delay in Doncaster, Rotherham and Sheffield (Source: Prospective)

## Passenger Facilities

There are significant differences across South Yorkshire in the infrastructure provided for passengers to make bus journeys, such as the availability of bus shelters and seating at bus stops, which can often have a greater impact on elderly and disabled passengers if not provided. There are 7,635 bus stops across the region, with only 44% (3,359) having shelters.

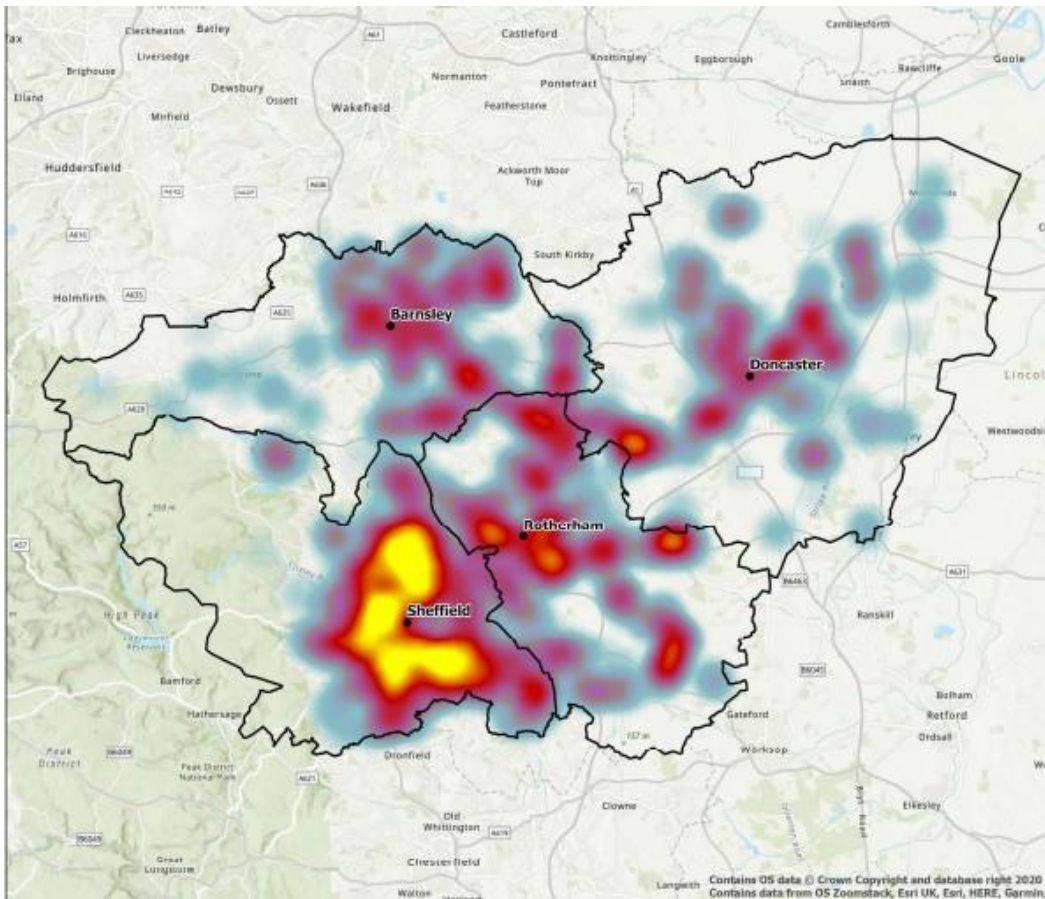
Inconsistent provision of seating at bus stops was a consistent theme throughout the Bus Review and was raised by passengers as well as representative groups including the South Yorkshire Freedom Riders who argued that “all bus stop should have shelters, usable seats and real-time information”. Of the 7,635 bus stops, only 39% have seating at present.

Further to this, Transport Focus surveys show that litter, condition/standard of maintenance, and the information provided at stops have the low levels of satisfaction out of the elements considered.

Limited parts of South Yorkshire have high bus stop density, as shown in Figure 20. This is even the case on key corridors where bus services are deemed to be high frequency.

Transport Focus surveys show that having stops or stations which are close to an individuals’ home or destination is particularly important for disabled passengers, people on lower incomes, older passengers (aged 65+), younger passengers (aged 16-24) and tourists/visitors to an area.

Each of the four local authority areas has a transport interchange within the urban centre, but the Bus Review found that they differ in terms of accessibility, facilities and overall usability – with passengers viewing Sheffield Interchange more negatively in particular because of perceived poor connectivity with nearby tram stops and the mainline rail station.



**Figure 20 – Bus Stop Density across South Yorkshire**

Journey planning by public transport is increasingly carried out using digital applications with less reliance on paper timetables, although paper timetables are still provided at many locations. Real time information from buses, trams and trains enables people to make alternative arrangements in a timely fashion if required, yet only 3% (253) of existing stops have real time information displays. This is despite a ‘digital display’ for information at stops being ranked highest for the type of information passengers in South Yorkshire would most like to check (43% of users), according to a survey by Transport Focus. There is the opportunity to improve information provision for bus services to improve the quality of the journey (for example, providing high confidence on journey reliability) and therefore attractiveness of the service.

## Fares and Ticketing

### Customer Feedback

Customers raised fares and ticketing as one of the key issues in the Bus Review, noting that that “there are an overwhelming number of ticket options available from operators in South Yorkshire, alongside TravelMaster products. This makes it complicated for customers to ensure they receive best value for money”.

A report by the Urban Transport Group<sup>5</sup> concluded that “simplicity, as well as actual fare level, is a key component to making travel attractive to passengers”. It is also one means of improving boarding speeds thereby reducing journey times – important on busy corridors.

<sup>5</sup> <http://www.urbantransportgroup.org/resources/types/reports/what-scope-boosting-bus-use-analysis-intrinsic-bus-potential-local-authority>

As well as the need for simplicity, customers also mentioned the desire for flexibility, including the ability to use buses from more than one operator without being charged a premium. This is particularly true post-COVID, with more flexible working patterns and an increase in home working, but also for those with varied shift patterns – often those on lowest income with least ability to pay extra.

The Bus Review also commented on positive measures in the region, with particular praise for TravelMaster, the operator-managed, multi-operator and multi-modal ticketing scheme. TravelMaster multi-operator products accounted for around 17 million bus journeys per year before the COVID-19 pandemic, which is around 20% of the bus market in the region, and contributes around a quarter of the total revenue within the system.

The remainder of journeys are undertaken either on single fares or utilising single operator products, which inevitably introduce restrictions to customers’ travel options. Clearly passengers choose these because they are cheaper than the multi-operator option, but this can then have a perverse outcome if customers find that they have to pay more later in the day when a change in their plans or service failures mean they have to use another operator’s buses. This can lead to a perception that products are poor value for money or leads to “fare fear” that they havenot selected the correct ticket product initially (a problem that is not a feature with post-pay schemes such as that in London).

Single operator products do still create confusion – in the Bus Review consultation, one passenger said “It is ridiculous that on routes like the 120 [a high frequency route] where the contract is split between First and Stagecoach, some tickets are only valid on one company’s buses. This means that the strap line ‘One City, One Service’ is grossly misleading”.

### Products and Fares

Individual operators have taken their own steps to utilise fares and products to encourage bus use. Both Stagecoach and First South Yorkshire have fully implemented payment by contactless bank card, with First South Yorkshire trialling simplification of ticketing with investment in digital technology and the roll out of an ‘oyster style’ fare capping trial in Doncaster. Other offers include Stagecoach’s Silver Dayrider that allows cross-border travel and a 50% discount for jobseekers.

Customers told the Bus Review that there were some anomalies in the current range of tickets, such as minor differences in the price of day tickets between, for example, Sheffield and Doncaster, and limited opportunities for cheaper bus travel between the four local authority areas in South Yorkshire. The following table shows a comparison of day ticket prices in London and other metropolitan areas with South Yorkshire, noting that the current TravelMaster bus day ticket offer in South Yorkshire is limited to within local authority boundaries.

| Region                 | Price of all day ticket for any bus (£) |
|------------------------|---|
| London                 | 4.65                                    |
| West Yorkshire (MCard) | 5.50                                    |
| Greater Manchester     | 6.00                                    |
| Liverpool City Region  | 4.20 - 5.55                             |
| Tyne and Wear          | 4.85                                    |
| South Yorkshire        | 4.70 - 5.00                             |

There is a need to address both high premiums for multi-operator products and the ability to integrate bus ticketing with other modes. For example, a day ticket in Sheffield is £4.20 for travel on First South Yorkshire buses and £4.70 for the multi-operator TravelMaster equivalent – an uplift of 12% on the single operator product. Adding an option to travel on Supertram in Sheffield adds another 40p to the cost of the TravelMaster product, whilst a South Yorkshire-wide bus and tram day TravelMaster ticket costs £7.00, or £8.80 to include local rail travel. More recently, 'Flexi5' products have been introduced, effectively a discounted carnet of five days that can work for part-time workers or those who work remotely some of the time.

There is a comprehensive offer on discounted fares for young people aged 5 to 18, and an agreed discount across all operators' services for all 18 to 22-year-olds. The MCA also agreed to introduce discounted travel for those aged under 21 for a 12 month period from June 2021, and there was an eight week 25% discount offered on all adult TravelMaster tickets in August and September 2021. However, the challenge of keeping fares down and targeting further discounts is made much harder without a committed funding stream over time.

Measures to impact price or flexibility by bringing a range of specific offers can sometimes bring more complexity, with customers more confused and less likely to see the bus as the first choice for travel. It is obviously key that those on low incomes can afford the bus and feel confident that they have paid the best value fare, but simplicity and transparency are also important, so that customers have assurance that they have obtained the best ticket for their journeys.

The bus operators' view is that the longer term goal is to develop a range of simple and commercially sustainable fares, which in turn provide the economic and environmental sustainability that is needed for the whole network. The fact that the main operators are recording low operating profits or even operating losses at present re-inforces this view.

## **Retail Channels**

The other variable element of South Yorkshire's product range is a variety of means of acquiring them. As noted above, whilst choice is important, this does risk increasing complexity.

Practically all TravelMaster products are available on ITSO smart cards and products can be uploaded via an app, on-bus or at a network of travel shops and Payzone outlets, although there is some variation in where a card can be acquired initially, and which products are available.

Single operator products on a barcode can also be purchased via the operator apps and cash payment is still available. As noted above, direct payment by contactless bank cards is available on the vast majority of buses although not quite all, and it is also very important to retain cash given significant research during the COVID-19 pandemic that many customers have been excluded from basic services where cash has not been an option.

Recent research from Transport Focus, however, suggests that people increasingly want contactless payment as part of a drive for increased hygiene after the pandemic, and there is a desire for 'tap and cap' as a default offer across the whole bus network.

The National Bus Strategy notes that "we want to see multi-operator ticketing everywhere, covering all bus services at a price little if at all higher than single-operator tickets, then to extend this to tickets that cover all travel modes (bus, light rail/metro, rail)". This ambition is shared by South Yorkshire's passengers. From an integration perspective, the TravelMaster range serves as a solid starting position, covering products for bus, tram and local rail. Stagecoach as the operator of the Supertram network, also offers their own single operator bus and tram products.

There is a good basis for development with the TravelMaster product range and the mix of



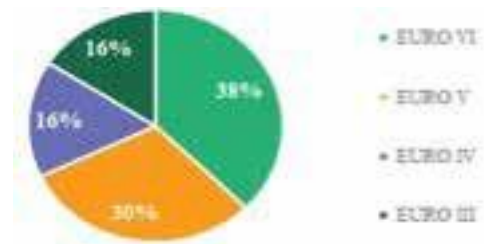
channels available, together with positive initiatives from some individual operators. The challenge going forward is to make this simpler, more transparent and where possible, reduce fares to stimulate recovery and introduce flexibility, particularly for those groups for whom access to employment, education and training opportunities is crucial.

## Vehicles and the Environment

The rise in private vehicle ownership is problematic given South Yorkshire faces an urgent air quality crisis with 18 Air Quality Management Areas (AQMAs) declared for NO<sub>2</sub> across the region, including one covering the entire urban area of Sheffield. A climate emergency has also been declared across South Yorkshire, and there is the immediate need to tackle climate change in line with the Government's adopted target for net zero carbon emissions by 2050. Tackling transport emissions is essential to addressing both issues – locally, road transport contributes to 36% of all CO<sub>2</sub> emissions in South Yorkshire.

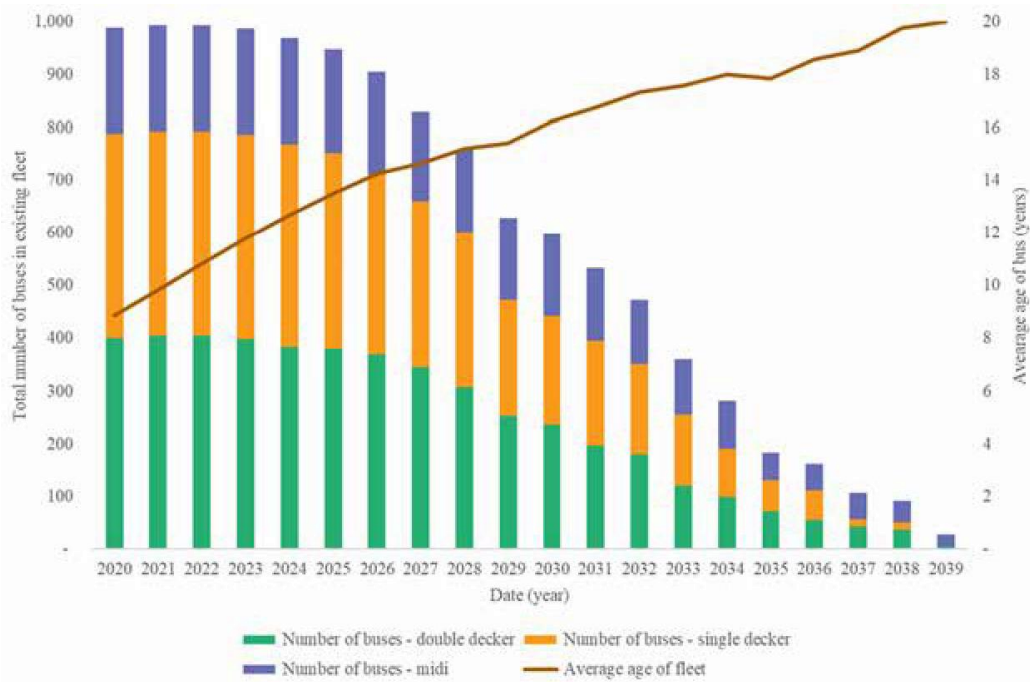
Key to this will be ensuring that the bus fleet itself plays a role in reducing emissions. Figure 21 shows the breakdown of buses that currently make up the South Yorkshire bus fleet – double decker (41%), single decker (39%) and midi (20%) buses – and the natural 'run off' for the current fleet based on an assumed age of 20 years (although 15 years is the typical expected life of a bus). The average age of the fleet in South Yorkshire is currently 10 years, compared to the national average of 8 years.

There remains a high proportion of the more polluting buses operating in South Yorkshire, particularly in Doncaster and Rotherham, with a significant proportion of buses in the region still Euro III, IV and V standard, representing around 62% of the operating fleet. This is higher than typically seen in other regions around the UK.



Only 30.3% of the bus fleet in South Yorkshire is Euro VI compliant, including buses which have had engine management and exhaust retrofit treatment. Doncaster has the lowest proportion of less polluting vehicles, with only 9.4% of buses being the required Euro VI standard. Only 4% of all vehicles in operation are hybrid – conversely, in London, approximately 40% of the fleet is made up of hybrid vehicles.





**Figure 21** – South Yorkshire Bus Fleet Composition and Replacement Trajectory

Working with bus operators and SYPTE, Sheffield City Council (SCC) was awarded £1.947 million from the Government’s Clean Bus Technology Fund in Spring 2018. 117 non-Euro VI diesel buses operating in Sheffield (93 First South Yorkshire buses and 24 Stagecoach buses) were retrofitted with technology which will improve their engine performance and reduce emissions to a compliant Euro VI standard.

## Passenger Satisfaction

Despite the strength of feeling that was evident through the Bus Review, it is important to have a balanced view of passenger satisfaction with the current bus network in South Yorkshire.

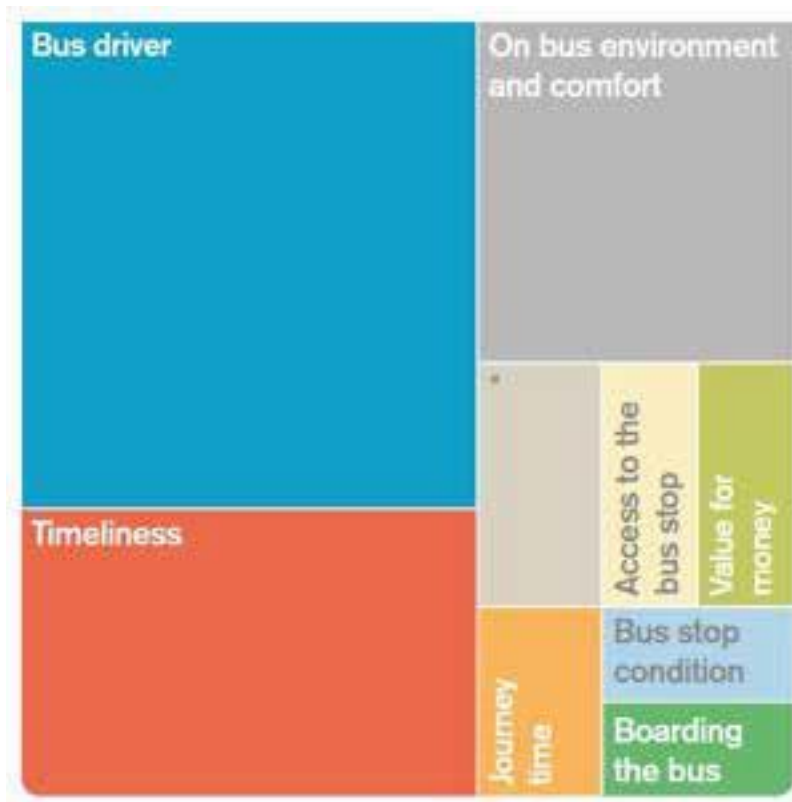
The most recent Bus Passenger Survey<sup>6</sup>, conducted by Transport Focus and published in March 2020 prior to the COVID-19 pandemic, found that 89% of bus users surveyed across South Yorkshire were either “Very Satisfied” or “Satisfied” with their overall bus journey. However, this figure falls to 71% when respondents were asked to consider the overall value for money of their bus journey. 72% of those surveyed were either “Very Satisfied” or “Satisfied” with the punctuality of the bus service and 87% with the actual on-bus journey time.

A further breakdown between the two main operators showed a trend of Stagecoach having generally higher satisfaction ratings across the first three of these four metrics than First South Yorkshire.

The highest levels of satisfaction were recorded for the ease of getting on the bus, the convenience/accessibility of the bus stop itself and the length of time it took to board. Overall satisfaction was at its lowest level for the condition of the bus stop and the quality of the information provided, followed by the greeting and helpfulness/attitude of the bus driver.

<sup>6</sup> <https://d3cez36w5wymxj.cloudfront.net/wp-content/uploads/2020/03/08184047/Bus-passenger-survey- autumn-2019-main-report.pdf>

Figure 22 shows the themes that were identified in South Yorkshire as those most affecting overall passenger satisfaction. The larger the proportion of the square reflects those themes mentioned most frequently, indicating that the bus driver is highlighted as having the most impact on satisfaction. To add to the second most important issue – timeliness – congestion was highlighted most frequently as a factor affecting journey time.



**Figure 22** – Themes Affecting Overall Passenger Satisfaction in South Yorkshire (Fare Payers only) (Source: Passenger Focus)

Not all passengers have the same experience of bus use, with some groups being less satisfied overall and in particular areas of service, for example, disabled users are generally far less satisfied (~10% variance from the average in many cases) with their on-bus experience, availability of information, boarding experience, and with driver interactions.

Understanding what the customer wants is an important part of the work commissioned to inform this Plan, but an interesting starting point is some research done by Transport Focus to test the priorities of 5,000 existing bus users in 2020. The top three priorities encompass frequency, network coverage and reliability, all of which came up in the Bus Review, and all of which suggest a strong link to the infrastructure that is provided for buses, both now and in the future, within South Yorkshire. Interviews carried out with operators in 2021 also highlight the importance of these priority areas, in particular reliability, on overall passenger satisfaction and on customer retention.

## 3. Wider Context

### Introduction

It is important not to look at buses, or indeed any public transport mode, in isolation. The Bus Review highlighted the need to consider buses in a much wider context to understand the important role that buses can play for the economy, the environment, and people's everyday lives. This section considers this context in a little more detail, as well as some of the other policies which will influence South Yorkshire's bus network.

### Social, Economic and Environmental Context

A well-connected, sustainable bus network plays a critical role in the prosperity of most places around the world and South Yorkshire is no exception. Buses provide a flexible and cost-effective way of connecting people to opportunities and in a fully integrated system, they are an important component of the overall transport network.

As highlighted previously, the SEP sets out how the economy, lives, and wellbeing of people in the region will be transformed over the next 20 years and is based on three overarching policy objectives: economic growth, inclusion, and sustainability – the three pillars of, stronger, fairer and greener. The SEP also set specific objectives in relation to transport under these three headings:

- Incentivise public transport usage, which will support economic productivity
- Improve the passenger journey experience, making public transport more accessible
- Increase the number of zero emission buses on our transport network.

The Mayor's Transport Strategy<sup>7</sup> identified three key goals for the South Yorkshire transport network:

1. Residents and businesses connected to economic opportunity
2. A cleaner and greener city region
3. Safe, reliable and accessible transport network

An effective bus system is a critical part of how these goals will be met, with buses being particularly important to society in three ways:

- **They provide opportunities for people:** In rural areas they can provide an essential lifeline; everywhere, they connect communities and promote social interaction.
- **They keep the wheels of the regional economy moving:** Well-designed bus networks can enhance people's access to employment and other opportunities, ensuring that the benefits of economic growth can be more evenly distributed.
- **They can help the transition towards a zero-carbon future:** By reducing the need for individual car use, overall CO<sub>2</sub> emissions are lower in places where public transport patronage is higher.



## Supporting People

The Transport Strategy highlighted the impact of weak integration between different modes of transport across South Yorkshire, leading to a divide between those people or households who have access to a car and those who rely on public transport. 29.5% of households in South Yorkshire do not have access to a car and 146,000 people are experiencing “transport poverty” across the region. Before the COVID-19 pandemic, around 9% of journeys to work across South Yorkshire were made by bus – compared with this, 71% of residents travelled to work by car. Car use is now at or just below the levels seen before March 2020, whereas bus use is only 74% of pre-pandemic (January 2020) levels at best.

As we recover from the pandemic, it is vital that South Yorkshire’s transport network plays a pivotal role in levelling up regional prosperity by providing low cost, reliable and frequent services that connect people to employment, education and social opportunities – regardless of their background.

A study carried out by the Government Office for Science<sup>8</sup> found a correlation between social disadvantage and physical mobility inequalities because transport, particularly public transport, can be a barrier to employment, can reduce access to education and training opportunities or be prohibitive due to cost. This means certain social groups are more at risk from mobility and accessibility inequalities, particularly low income households, children and the elderly.

Further to this, research into transport and inequality<sup>9</sup> shows that people who depend more on the bus for travel to employment tend to be lower paid, live in more deprived areas, and are more likely to turn down jobs because of transport issues than those on higher incomes, who tend to use cars and trains more often.

Econometric analysis undertaken by the University of Leeds on behalf of Greener Journeys<sup>10</sup> shows that a 10% improvement in local bus service connectivity is associated with a 3.6% reduction in deprivation as measured by the Government’s Index of Multiple Deprivation (IMD). This reduction applies to all neighbourhoods, from the least deprived to the most deprived, meaning that buses matter to all in improving quality of life.

There is no doubt that buses will play a key role in connecting people to education and employment opportunities where car ownership is lowest. Such a 10% improvement in local bus service connectivity in the 10% most deprived neighbourhoods across England would result in:

- 2.8% fall in income deprivation, which would equate to 22,647 people with increased income
- 2.7% fall in employment deprivation, which would equate to 9,909 more people in work
- 1.4% increase in those with adult skills, which would equate to 7,313 people with adult skills
- 0.7% increase in post-16 education
- 2,596 fewer years of life lost.

<sup>8</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/784685/future\\_of\\_mobility\\_access.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/784685/future_of_mobility_access.pdf)

<sup>9</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/953951/Transport\\_and\\_inequality\\_report\\_document.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/953951/Transport_and_inequality_report_document.pdf)

<sup>10</sup> <https://www.cpt-uk.org/media/yqsd44iu/greener-journeys-value-of-bus-to-society-final-1.pdf>

The Bus Review found evidence of the negative impact that poor bus services alone can have on people's lives in South Yorkshire. For example, Commissioners heard from people who reported that they had lost jobs, missed education opportunities, or were simply not able to travel to employment opportunities – all because services had been cut and they were left with no alternative methods of transport. The Government estimates that for 1 in 5 bus journeys, a practical alternative does not exist – providing South Yorkshire's communities with a real choice will be imperative in the future.

### **Supporting Economic Growth**

The benefits of recent economic growth have not been felt evenly by the population and significant inequality remains with economic and social deprivation widening – exacerbated by the impact of the COVID-19 pandemic. This disparity is particularly the case in terms of transport where an increasing number of households are living in poverty, including transport poverty.

South Yorkshire is the 10th largest LEP by population and 16th largest LEP area by economic output, but it is the 7th most deprived LEP area with some of the country's highest economic inactivity and unemployment rates, especially for young people. In 2020, 39% of South Yorkshire's LSOAs were in the top fifth of most deprived in the whole country.

Whilst recent years have seen rapid jobs growth, they have largely been in lower paid employment and/or jobs with insecure contracts. South Yorkshire has low levels of people with qualifications of NVQ4+ (5.6% below the national average), higher than UK average levels of unemployment (5.4% vs 4.6%), a high economically inactive rate (23.6%), and a higher number of people who want a job (26.9%) compared to the national average (22.6%).

The Transport Strategy highlighted the negative impact that poor transport connectivity and congestion is having on the economy by restricting growth and potentially curbing future productivity without immediate intervention. Poor transport connectivity limits agglomeration benefits for the region's economy, impacting on its productivity. With 75% of residents commuting within the South Yorkshire boundary, only 12% of working residents use public transport to access work.

Providing fast, reliable, convenient, and affordable transport is essential in connecting residents to job opportunities, however bus operators were reporting up to 30% increase in journey times on some routes due to congestion before the COVID-19 pandemic.

The polycentric geography of South Yorkshire makes good transport connectivity key to achieving inclusive and sustainable economic growth. The region's public transport system needs to be accessible, affordable, integrated and provide seamless travel throughout the whole region and to neighbouring economic centres for the benefit of residents and business.

In addition, the Transport Strategy also highlighted that gaps in connectivity could further limit access to employment, labour, and higher value jobs. Key economic growth assets such as the Advanced Manufacturing Innovation District, Doncaster Sheffield Airport and Junction 36 are all in out of centre locations and so how to serve these areas, plus new growth zones identified in the SEP, by effective public transport networks, is a challenge that needs to be met.

Bus users themselves are generators of economic growth – the research for Greener Journeys indicated that bus users create more than £64 billion worth of goods and services to the national economy and that buses are the primary mode of access to city centres, responsible for facilitating 29% of all city centre expenditure. The shift of economic activity across the region caused by greater working from home will have an impact on these figures, but there is no

doubt that bus users will play a significant role in the recovery of South Yorkshire's large urban centres, so recognising the role of the bus within these centres, which are often where there are competing demands for space, will be important.

Transport Focus carried out in depth research<sup>11</sup> in December 2020 and January 2021 into current and lapsed bus passenger experiences, looking at perceptions and expectations of travelling during and after the pandemic. One recommendation was that local authorities and bus operators should commit to the introduction of new facilities and measures to improve the punctuality of services and speed up bus journeys to assist with passenger confidence.

At the same time, when a person works from home rather than at the office, their work-related consumption of goods and services provided by the locally consumed service industries will take place where they live, not where they work.

One of the other recommendations of the Transport Focus research was that operators should introduce, and promote the availability of, more flexible tickets which reflect new patterns of demand. Therefore, South Yorkshire's transport system must be agile to adapt to this new pattern of economic and social activity, and the role of buses providing enhanced access to local centres, with flexible timetabling and ticketing offers, will be crucial.

### **Supporting the Environment**

South Yorkshire faces significant air quality issues. In Sheffield, there are 51 separate locations where the European Union's annual average limit value for NO<sub>2</sub> (40µg/m<sup>3</sup>) has been exceeded in one or more of the three-year periods (2010-2012). Analysis indicates that road transport is the single most significant contributor to Sheffield's NO<sub>2</sub> emissions at these locations. NO<sub>2</sub> and particulates have significant impacts on people's health and those living alongside main roads are more likely to suffer from a range of health problems. As a result, SCC is proposing to introduce a 'Category C' Clean Air Zone.

Alongside air quality there is a wider issue of responding to the climate emergency. Most of the energy that is consumed in the region is produced from fossil fuels with petrol and diesel dominating the transport sector. The Sheffield City Region Energy Strategy<sup>12</sup> made clear the role of transport in supporting the region's transition to a low carbon economy. This includes moving to a zero carbon public transport network by 2035, something that will take much greater investment in zero emission vehicles, which recent Government announcements recognise.

A double decker bus can take up to 75 cars off the road and a high quality bus network can also play a role in incentivising modal shift away from private vehicles and therefore reduce car use, decrease congestion, reduce emissions and improve air quality. Research from the University of Westminster<sup>14</sup> found that effective bus priority measures can deliver up to 75% fewer emissions per bus passenger per kilometre than for car passengers.

Public transport, especially buses, will play an essential role in unifying South Yorkshire's transport system to encourage cleaner, greener, productive and inclusive ways of living and working. Regionally, half of all trips under 2km are made by car – more worryingly, a quarter of trips under 500m are also made by car and so for many people short and medium length journeys could feasibly be made by walking, cycling or bus. However, research by Passenger

<sup>11</sup> <https://d3cez36w5wymxj.cloudfront.net/wp-content/uploads/2021/04/23145258/The-route-ahead-getting-passengers-back-on-buses-qualitative-research-findings.pdf>

<sup>12</sup> <https://sheffieldcityregion.org.uk/getmedia/423b1606-ad2b-4261-93b0-f712b7fef6e8/SCR-Energy-Strategy.pdf>

<sup>14</sup> <https://www.cpt-uk.org/media/dwrftlta/binder2.pdf>



Focus suggests that, for many people, environmental concerns are a low priority when they are deciding how to travel – the top three factors are safety, direct travel and convenience, so environmental factors are important to achieve the region’s objectives, but less so in affecting modal shift.

## Links to Wider Policies and Strategies

Understanding the wider context in which the bus network operates, and the wider goals and objectives that it supports, shows how this document and the interventions that flow from it, cannot exist in a vacuum. Although this Plan represents a step-change in how buses are perceived within the transport system, there are a number of existing policies that both recognise the importance of the bus network and also include some proposals for improvement on which to build.

### Mayor’s Transport Strategy

The Mayor’s Transport Strategy included the three goals mentioned previously and nine key supporting policies. Improvements to the bus network will have wide-reaching benefits across South Yorkshire with clear links to all of these policies.

The Transport Strategy envisaged a series of implementation plans, some of which the region will lead, some of which the region will contribute to and some of which the region will seek to influence. The Rail and Active Travel Implementation Plans have already been published – this document will help shape the Public Transport and Roads Implementation Plans, given the fact that buses predominantly use the road network on which to operate and that the existence of both a light rail and a tram-train network within South Yorkshire means that it would not be logical to view buses in isolation when developing a future public transport network.

The complete public transport network (including tram and tram-train) needs to be considered as a whole, as well as the links to and from public transport at either end of a journey – this has been a consideration of the development of the South Yorkshire’s aspirational active travel network. How a customer views the journey should be how a future network is developed for it to be effective and for it to address a number of the issues identified in the Bus Review.

### Key Route Network

The concept of a Key Route Network (KRN) for South Yorkshire was initially identified in the Mayor’s Transport Strategy (arising from the Devolution Deal) as a network across the region where a more integrated approach to the management of the network could address the challenge of fragmented thinking and responsibility that exists at the moment.

A defined KRN could be used to plan and identify investment priorities in the future, all linked to a new set of objectives for the region’s road network, recognising that how roads are planned and used needs to change drastically if South Yorkshire is to address issues such as congestion and air quality, contribute to the net zero targets and create a better public and active travel network as part of the region’s whole transport network.

An initial KRN was defined for South Yorkshire that aimed to reflect the new approach to the road network, meaning that routes that met the following public transport-related criteria would be included:

- Principal public transport corridors – roads with an inbound frequency of 6 or more buses per hour (except in any identified growth area identified in the SEP, where either direction is considered)

- Access to regional hubs – roads that connect the key economic centres defined in the Mayor’s Vision for Transport<sup>13</sup>
- Access to key public transport hubs – roads that provide direct access to public transport hubs, interchanges or park and ride/park and cycle sites.

This approach is a significant departure than simply using traffic flow volumes to define the important parts of the road network and reflects the increasing importance that will be placed on public transport within the South Yorkshire’s future plans.

The Government is currently consulting on increasing the responsibility for MCAs over the operation and maintenance of KRN in their areas, and so there is some uncertainty at this time as to what this may mean in the future. What is clear, however, is the commitment from South Yorkshire to recognise how such roads support bus services and to ensure full consideration is given to making the services on these roads more frequent and more reliable.

### **Individual Local Authority Policies**

In addition to the Mayor’s Transport Strategy and the published or emerging implementation plans that support it, the importance of buses and the need for improvement, is also recognised in the strategies of all of the MCA’s constituent local authorities.

The **Barnsley Transport Strategy (2014-2033)** notes that internal connectivity within the borough is an issue. In particular, there is recognition that there is still a ‘hub and spoke’ pattern to bus services. Travel to the principal towns from the town centre and vice versa is relatively simple, as opposed to journeys between principal towns or to areas outside the established road network, with slow journey times and infrequent services. External links also tend to originate from Barnsley Interchange and not from the principal towns themselves, necessitating travel to the town centre, with additional longer travel time and inconvenience. Providing a network that meets a changed set of travel needs will be important.

Poverty and social exclusion are also significant issues, and there are several communities, especially in the Dearne which are relatively isolated and combine urban levels of deprivation with rural levels of isolation. Those living in areas of low employment often find it difficult to access jobs in the growth areas of Barnsley and beyond, by public transport. Also, young people have difficulty accessing learning opportunities, again suggesting that the network should change to support the changing needs of local people.

The **Doncaster Infrastructure Strategy (2019 Update)** outlines the investment requirements and funding mechanisms to support the delivery of growth set out in the Doncaster Local Plan. The document notes that Doncaster has a comprehensive bus network serving urban and rural communities, and which helps to support areas hard to reach by other modes of public transport, providing a vital lifeline to rural communities. However, bus patronage has been falling for a number of years, and a range of bus improvement and efficiency measures are likely to improve bus punctuality and services across Doncaster and other parts of South Yorkshire, particularly at peak times.

Such schemes, alongside other measures (including park and ride schemes and junction improvements) will help relieve congestion and encourage public transport use along key strategic routes serving housing, employment and leisure developments at the Lakeside, Doncaster town centre and Doncaster Sheffield Airport. In addition, advanced emission improvement technology will be installed along the existing bus corridor between Doncaster and Rotherham to reduce nitrogen oxide emission levels.

<sup>13</sup> [https://sheffieldcityregion.org.uk/getmedia/1c1ad981-67d6-43f9-87ce-eba7da30fd06/Mayoral-Transport-Vision-V2-18-12-18-\(1\).pdf](https://sheffieldcityregion.org.uk/getmedia/1c1ad981-67d6-43f9-87ce-eba7da30fd06/Mayoral-Transport-Vision-V2-18-12-18-(1).pdf)

The **Rotherham Transport Strategy (2016-2026)** notes that Rotherham is well served by a network of largely radial bus services, linking all the principal settlements with the town centre as well as linking neighbouring major settlements. However, declining public transport patronage is seen as indicative of a system that is not meeting the needs of travellers. Although there are some existing bus priority measures in Rotherham, there are many places where buses are affected by congestion, for example on the A633. Not only does this give the bus a distinct journey time disadvantage compared to most other modes, it also affects reliability and timetabling – this suggests a need to identify targeted bus priority improvements.

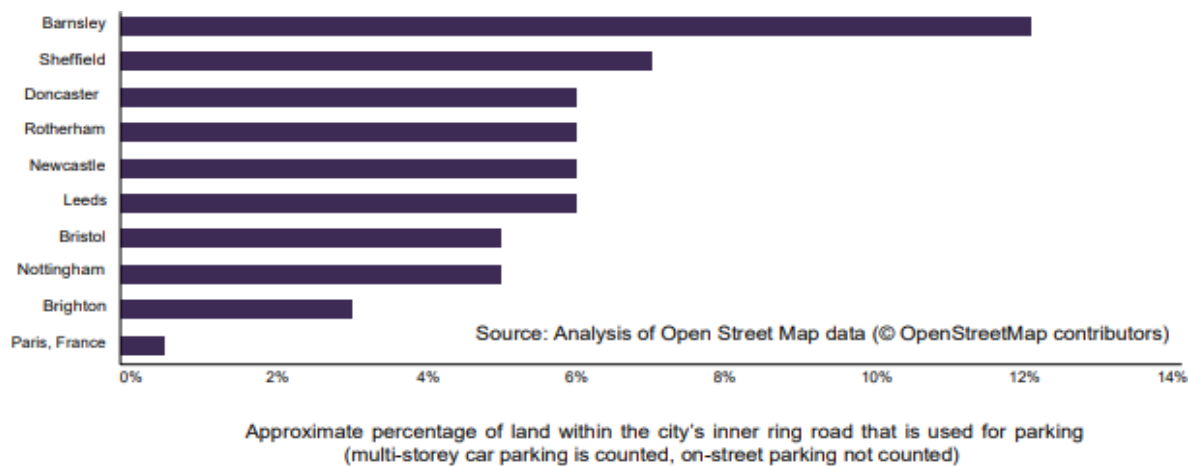
Recognising some of the issues with previous development and integration described previously, the document outlines an intention for new developments to be expected to provide connectivity to existing bus and active travel networks, for instance by providing convenient pedestrian access to bus stops. Location of developments along major public transport corridors will be preferred to those which are more remote. In addition, many bus, tram and train trips start and finish on foot or bicycle and many more could be transferred if facilities beyond the active transport network were improved and better connected. So, more attention will be paid to helping people change from one mode to another.

**Sheffield's Transport Strategy 2019 to 2035** is a long term plan to help deal with the city's pressing economic, environmental and equality challenges. On buses, the document states that it will not be enough to simply make the bus faster – there is a need to make it simple to understand and use, and therefore, more attractive. A step-change is required to reverse the decline in patronage and to make buses (and trams) as easy to use as cars, both to attract people away from cars and on to bus services, but also to encourage existing bus passengers not to abandon the bus for the car (which is particularly important in the immediate aftermath of the COVID-19 pandemic).

Actions identified include introducing additional bus priority, including new bus lanes on existing key bus routes, to not only protect buses from congestion but also to proactively improve bus journey times. Other priority measures will include traffic signal control improvements, realigned to proactively speed up buses, rather than merely bringing late running buses back to timetable. The hours of operation of existing bus lanes throughout the city will be extended to include weekends and daytime periods, to ensure bus journey times and reliability are maintained throughout the day and to reduce the costs of operating public transport services.

All of these policies suggest support for the principle of this Plan, but one area where there can sometimes be conflict between local policies and the needs of the bus system is the issue of parking provision and charging, particularly in larger urban centres.

The increase in car usage described previously has driven an increased demand for car parking spaces, particularly in urban centres. This has been met by both local authority and private sector run provision. Across the four urban centres in South Yorkshire, there are just over 17,000 parking spaces, the level of which are above other towns and cities, as shown in Figure 23.



**Figure 23** – Approximate Percentage of Land used for Parking within an Urban Area's 'Inner Ring Road'

Around 40% of the total number of spaces in the urban areas are owned and operated by the local authorities, but the split between public and private parking provision does vary across the four urban centres:

- Barnsley – 2,322 total, 72.8% public/27.2% private
- Doncaster – 4,516 total, 58.3% public, 41.7% private
- Rotherham – 1,856 total, 96.2% public, 3.8% private
- Sheffield – 8,446 total, 8.7% public/91.3% private.

The split between public and private parking provision in any one location is important in terms of the ability to balance parking provision and charging with a policy to encourage bus use. However, in Sheffield, much of the current private parking provision is on identified development sites, highlighting the need and opportunity to embed measures to encourage public transport use within planning policies.

The perceived cost of using the car as opposed to the bus is often skewed by the parking charge at the destination, and similarly the ease and availability of parking can often weigh a decision on which mode to use in favour of the car. Car parking charges in each of the local authority areas are often priced very competitively compared to the average price of bus fares. For example, in Barnsley, parking is free for a three hour period at weekends and in Rotherham, parking is free all day on Sundays, whilst for the rest of the week, prices are generally as low as 20p for 30 minutes, 5% of the £4 cost of a First South Yorkshire day ticket. Similarly, in Doncaster, parking for 5 hours at the main shopping centre (where there are 846 parking bays) is only £5, 30p more than the price of a First South Yorkshire day ticket, and £1 more than a capped return journey.

## Technology

Advances in technology are drastically changing the world and the transport industry is already benefitting from advancements in technology and innovation. South Yorkshire MCA commissioned a review of future mobility services across the region to help develop the implementation plans that support the Transport Strategy.

The review identified that the opening up of data has significant potential for the development of new services and solutions and that South Yorkshire has the opportunity to explore how data can be made more open. The unlocking of data can also support better region-wide planning,

not just from a mobility perspective, but also to look at the whole system of planning to support better and more predictable outcomes.

The evolving way of accessing many mobility options without having to own a car means that car ownership rates may fall as travel patterns and behaviours change in response to a rapidly evolving market. There is an important role for South Yorkshire to mitigate against any risks of new mobility models in a pro-active manner, specifying up front what the MCA and the constituent local authorities want from service providers and ensuring these parameters are operated within.

As well as offering opportunities, technology can also offer threats to the bus network, no more so than how travel patterns and demands have changed as a result of the COVID-19 pandemic and increased working from home – a trend now known as ‘zoomshock’. Recent research by the Universities of Birmingham, Nottingham and Sheffield<sup>14</sup>, illustrated in Figure 24, show just how labour markets across South Yorkshire have changed in the past 18 months, with a significant reduction in employment within urban centres, not all of which will necessarily return as restrictions ease.

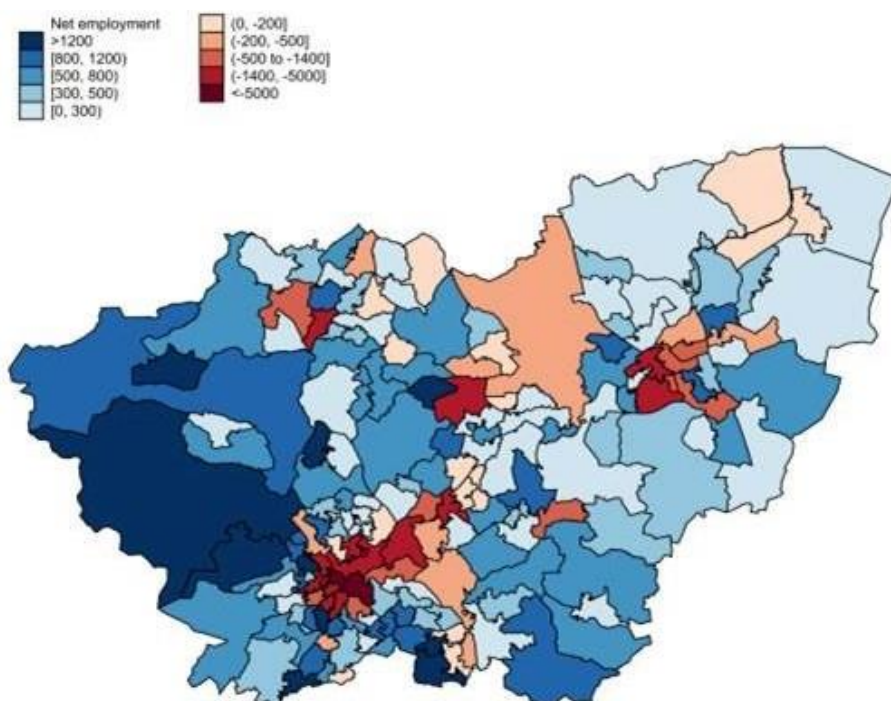


Figure 24 – Net Employment Changes across South Yorkshire since March 2020

Whether these changes are permanent or temporary remains to be seen, but the implication again is for a bus network that is more flexible than it has been in the past, being able to respond to such changes more readily.

14 <https://khub.net/documents/312279551/0/FULL+ARTICLE+--+Zoomshocks.pdf/3ceedd0d-ee04-dede-cfa4-33a292277d1c?t=1631190931594>

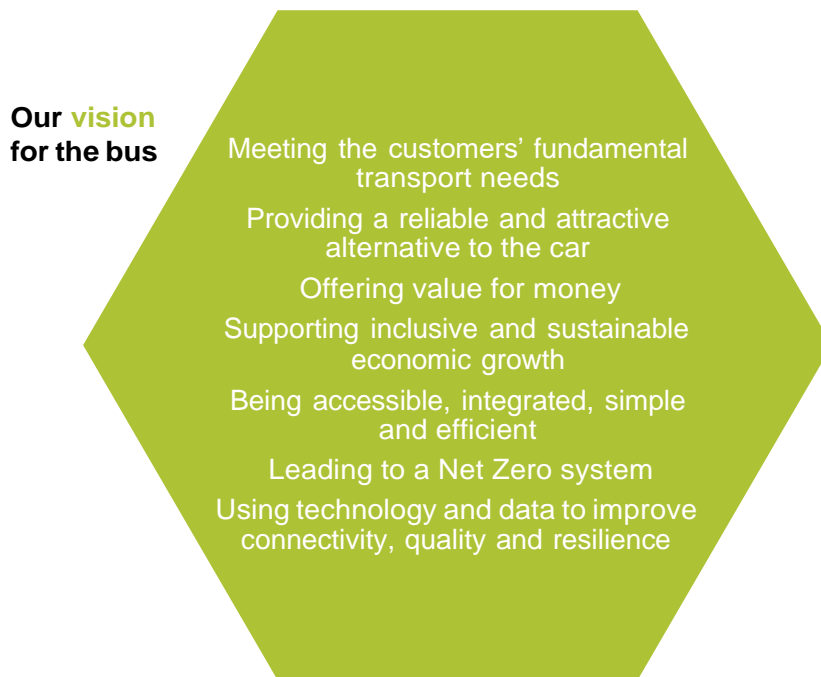
# 4. What We Want From Our Bus Network

## Introduction

The preceding sections of this Enhanced Partnership Plan have set out the position with the current South Yorkshire bus network and also wider factors that will influence the shape of the network and the needs of passengers going forwards. Drawing on this, and the analysis commissioned following the publication of the Bus Review, the MCA, the constituent local authorities and the bus operators, have started to develop an idea of what is needed from the bus network across a range of elements.

## Vision for the Bus Network

At the outset, the MCA, local authorities and bus operators have agreed a vision for the South Yorkshire bus network as illustrated below.



This vision is linked to the objectives of the SEP and the Transport Strategy described previously, and also to the emerging objectives developed in response to the City Region Sustainable Transport Settlement (CRSTS), recognising the significant role that this devolved funding source will play in delivering many of the elements of this Plan, particularly the capital expenditure required.

## Headline Outputs

As well as achieving locally derived objectives, the interventions set out within this Plan also need to link closely to the National Bus Strategy, which had at its centre an aim to make buses more frequent, more reliable, easier to understand, better co-ordinated and cheaper.

In particular, the Government envisaged that BSIPs would include a range of policies and interventions that deliver a number of headline outputs, including:

- More frequent and reliable services
- Improvements to planning/integration with other modes
- Improvements to fares and ticketing
- Higher specification buses
- Improvements to passenger engagement.

Given the history of bus services in South Yorkshire, the strength of local feeling that was evident during the development of the Bus Review and the emphasis placed on achieving ambitious carbon reduction targets, two other headline outputs are considered to be important to shape this document:

- Strong network identity
- Invest in decarbonisation.

Finally, it became clear in discussions with operators that there needed to be a shift in the policy positions adopted by the MCA and the constituent local authorities in some areas, predominantly around planning for new developments and the use of the KRN to provide real and lasting bus priority, both of which would signal a real commitment to the bus. Therefore, there is a final headline output – Complementary policy positions.

The key elements of the Enhanced Partnership Plan that are described in the remainder of this document have been developed with a mind to the agreed vision and also how they sit within these headline outputs.

## Outcomes and Impacts

The National Bus Strategy explicitly states that BSIPs should set targets (specifically around journey time and reliability, patronage and customer satisfaction), based on an assessment of the current situation and the expected impacts of the interventions and policies set out within the document.

Understanding what the outcomes and impacts of the measures contained within this Plan is the first part of setting relevant and realistic targets. This is best illustrated using a 'logic map', which shows the clear linkages from the context (in this case, the key findings of the Bus Review) through to the impacts anticipated (which should have a direct read-across to these findings).

The South Yorkshire logic map is illustrated in Figure 24.

The 'Outcomes' in the logic map represent our objectives for improving bus services and are those which will be monitored and evaluated through the ongoing development of the Enhanced Partnership Plan. These reflect both local and national objectives and also have a strong link to the success criteria that were included in the Transport Strategy, as shown in the table overleaf.



Drawing on both the logic map and the previously agreed success criteria gives a platform for setting out a number of key targets for this Plan.

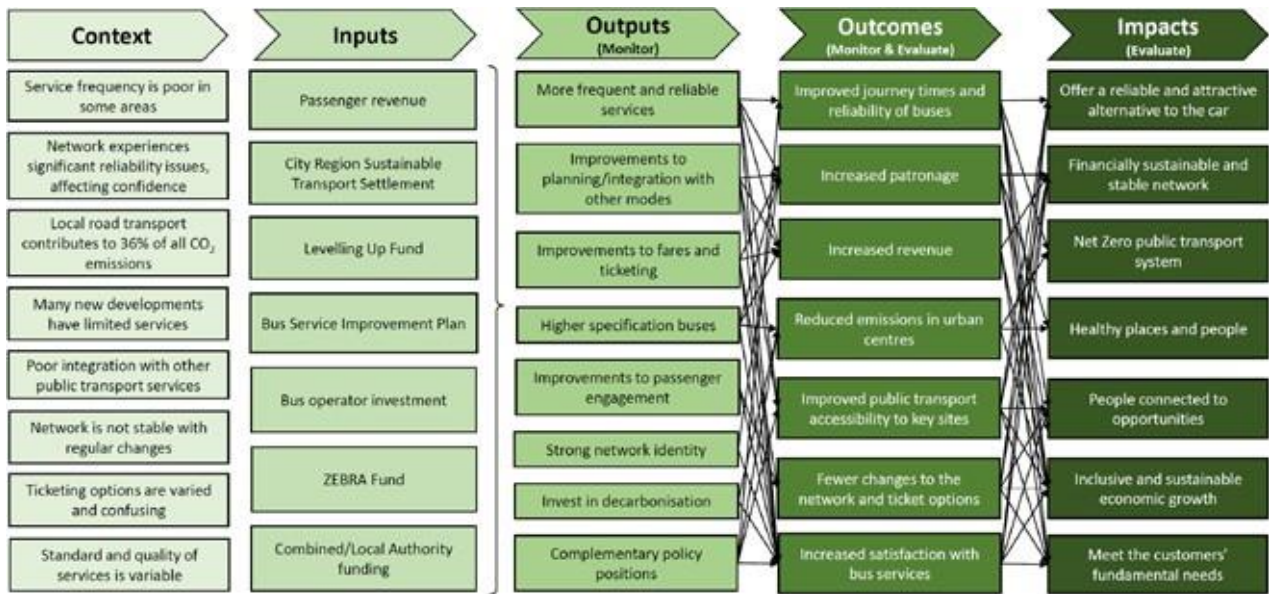


Figure 24 – South Yorkshire Bus Improvement Logic Map

| Goal  | Success Criteria (by 2040)   |
|---|--|
| <b>Residents and businesses connected to economic opportunity</b> | a) Contribute towards increasing GVA in South Yorkshire through increasing the number of economically active people living within 30 minutes of key employment locations and universities by public transport  |
| <b>A cleaner and greener city region</b>                          | b) Better frequency of rail service between Sheffield and Manchester/Leeds - at least four fast trains per hour, with a target 30 minute journey time to/from both and a local rail network that meets the agreed minimum standards<br>c) Increase productivity through reducing delays on our transport network<br>d) Increase trips by 18% bus, 100% rail, 47% tram, 21% walking and 350% cycling and manage the increase in private car/van/goods trips to 8% |
| <b>Safe, reliable and accessible transport network</b>            | e) 95% public opinion that our local transport choices feel safe<br>f) Reduction in reported casualties of 4% per year<br>g) Eliminate AQMAs in the city region and comply with legal thresholds to achieve compliance in the shortest possible time<br>h) Reduce tailpipe carbon emissions in line with targets for the UK and have a zero-carbon public transport network by 2040  |



## Targets

The preceding discussion shows a logical progression from the outcomes of the Bus Review to the targets that have been chosen for this Enhanced Partnership Plan, through an agreed vision and a series of headline outputs that marry local and national objectives. The targets have also been selected with a mind to the availability of baseline data as set out previously and further data that the various parties to this Plan can compile.

### Mandatory Targets

The Initial BSIP included targets that were required to be set for 2024/25 for journey times, reliability, passenger growth and customer satisfaction, along with an indication of how these are to be measured. The suggested targets, drawing on the baseline information provided previously and with a mind to the prioritised activities set out in the following section, are shown in the following table. These targets have been adopted for the Enhanced Partnership Plan.

| Metric                                | Existing/Target Values |              |            | Method of Measurement   |
|---------------------------------------|------------------------|--------------|------------|---|
|                                       | 2018/19                | 2019/20      | 2024/25    |   |
| <b>Journey Time</b>                   | +0.3%                  |              | -4.0%      | Increase in cumulative journey times for an agreed set of frequent services compared to 2017 baseline |
| <b>Reliability</b>                    | 99.0%                  | 98.8%        | 99.5%      | Bus operator data   |
| <b>Passenger Numbers</b>              | 92.0 million           | 82.9 million | 77 million | DfT statistics  |
| <b>Average Passenger Satisfaction</b> | 86%                    | 89%          | 92%        | Transport Focus annual survey   |

The Journey Time metric is based on achieving a reduction in journey times for the set of frequent services shown in Figure 18 as high as that achieved between 2017 and 2019 as a result of the interventions made – this would apply across all services shown and all urban areas. Achieving these journey time reductions will be delivered by a combination of bus priority measures and improvements to bus boarding/stopping times on targeted services.

The Reliability metric (defined as whether a service actually operates) picks up the need to demonstrate that the bus offers a reliable mode of travel and so seeks to consolidate the aspiration included within the existing voluntary partnership agreements into a single target for South Yorkshire. Better data on network incidents and an improvement in vehicle age and specification will contribute to the achievement of this target.

The Passenger Numbers metric reflects the recent patronage trends and the forecast for patronage recovery following the COVID-19 pandemic shown in Figure 9. The target for 2024/25 represents a 22% increase on the passenger numbers that are currently forecast for 2021/22 (which are themselves reliant on whether further restrictions are imposed in the coming months).

Given the intended removal of Government support for bus services at the end of March 2022, there is an imperative to try to return to pre-COVID trend levels of patronage as soon as possible, and so the target is to achieve this within two years, which is six months earlier than shown in Figure 9, indicating a commitment to introduce early measures through this Plan

aimed at an accelerated recovery in patronage.

Thereafter, the selected target represents a 4% increase in patronage over the following two years, which is comparable to the increases seen in other metropolitan areas such as Tyne and Wear and Merseyside, prior to the COVID-19 pandemic. This is also some 20% above the level of patronage that is forecast by even the most optimistic of the trend lines shown in Figure 9.

Beyond 2024/25, the targeted increase in bus patronage by 2040 set out in the Transport Strategy (and referenced in the preceding table) remains valid, showing a continued level of ambition for future bus patronage that has not been affected by the COVID-19 pandemic, merely a more immediate resetting of how the decade-long decline in passenger numbers can be addressed and the foundations for growth established.

The Average Passenger Satisfaction metric seeks to track a continuous improvement in bus services on a similar trajectory, and to a similar level, to those comparative metropolitan areas mentioned above and some of the exemplar areas highlighted in the National Bus Strategy. Targeting those areas that are having the greatest effect on passenger satisfaction that were shown in Figure 22 will underpin the approach to this target.

### **Supplementary Targets**

To reflect the logic map in Figure 23 and the Transport Strategy success criteria, it is also proposed to monitor the following metrics through the Enhanced Partnership Plan:

- Overall revenue within the system (as a measure of financial sustainability)
- Average daily bus fare as a proportion of the average daily wage (as a measure of affordability)
- Punctuality (as a measure of network performance)
- Proportion of the population within 15 minutes travel time from their nearest regional hub via public transport (as a measure of integration)
- Accessibility to key employment locations (as a measure of economic opportunity)
- Overall fleet emissions.

Further work will be undertaken to develop the baseline and targets for the metrics in advance of March 2022, as the necessary supporting analysis is completed.

It should also be noted that any further national restrictions between now and March 2022, along with announcements on a number of funding bids and settlements and whether there will be a continuation of Government support for bus services beyond March 2022, will have a significant influence across both the mandatory and supplementary targets, and so the range of targets will be reviewed again before the implementation of the Enhanced Partnership.

# 5. Delivering The Plan

## Introduction

This section explains how the requirements set out in the National Bus Strategy are to be tailored and delivered within South Yorkshire to deliver a more reliable, higher quality and better value bus network.

The findings and recommendations of the Bus Review provided the starting point for identifying what is needed in order to improve the bus system in South Yorkshire. Further work has been done to identify 40 prioritised activities, interventions and policies for inclusion in this Enhanced Partnership Plan and the following paragraphs provide a little more detail on each, explaining how they will contribute to improving the South Yorkshire bus network and achieving the agreed vision, all within the context of a stronger, fairer, greener region.

These prioritised interventions have been developed from a thorough evidence base including:

- Intermediate outputs from the extensive work commissioned by the MCA in response to the Bus Review, covering Route, Quality and Environment Analyses – this work is ongoing at the time of preparing this document
- Liaison with senior officers of the MCA, SYPTE and the local authorities
- Outputs from a specific commission to develop a realistic action plan to address issues around fares and ticketing, given the matters raised in the Bus Review and the prominence given to this topic in the National Bus Strategy
- Discussion with all bus operators in South Yorkshire and the Confederation of Passenger Transport throughout the preparation of this document
- Individual meetings with passenger groups, disabled passenger representatives and local businesses at specific points as the document was developed
- Development of the CRSTS bid recently presented to Government, the means by which much of the capital investment required within the five year lifetime of this Plan, will be delivered.

It should be recognised that the interventions will take time to implement and therefore impact may not be felt immediately. Some interventions can be implemented in the short term (indeed, some are already underway), whereas others will take more time, either because further work will be required to understand the detail of what is needed in practice, mobilisation lead times or due to the best timing for their deployment given the focus on immediate patronage recovery – this is explained further for some of the activities. This approach also reflects the fragile state of the South Yorkshire bus network following the COVID-19 pandemic.

As well as when these activities, interventions and policies are implemented, there may well be different approaches as to how they are implemented, reflecting the current legislation governing bus networks in England and the ability of the various delivery models to support (or not) what is trying to be achieved. Whilst the Enhanced Partnership is the first delivery model that will be employed, other models may be more appropriate, or necessary, in the future to achieve all that is required.

Many activities, policies and interventions by the MCA, the constituent local authorities and bus operators will influence and contribute to delivering the desired outcomes and impacts, locally,

regionally, and nationally. Granularity of information about the short term interventions will be developed through the Enhanced Partnership.

Reference should also be made to the summary table at Appendix A showing how the prioritised activities strategically align to the objectives of the SEP and CRSTS, and with the headline outputs of the National Bus Strategy and the Transport Strategy success criteria.

## Stronger South Yorkshire

### Vision for the Bus Network

- Providing a reliable and attractive alternative to the car
- Supporting inclusive and sustainable economic growth
- Using technology and data to improve connectivity, quality and resilience

### Providing a Reliable and Attractive Alternative to the Car

Accelerated by the COVID-19 pandemic, people's lifestyles have changed, altering how they live, work and travel. Alongside this, car ownership has continued to rise steadily, increasing the number of vehicles using the region's roads. As data analysis carried out to support development of this Plan identified, the consequence of this is increased traffic and congestion across the network and throughout the day, no longer limited to urban centres and traditional peak times of day, with an adverse impact on bus punctuality. This in turn leads to falling passenger confidence in buses as a reliable method of travel.

To combat this, we will put in place measures across South Yorkshire's road network to improve bus service punctuality against congestion so that passengers can experience faster, more reliable journeys. This will rebuild passenger confidence but also encourage modal shift from cars by offering a more attractive alternative than at present.

1. **Standardise and extend hours of operation of existing bus lanes.** Previous evidence highlighted the importance of introducing effective bus priority measures to improve bus journey speeds and reliability. National research has also shown the positive impact bus lanes can have in reducing congestion and journey delays experienced by individuals.

In the most recent Transport Focus survey, only 69% and 75% of passengers were satisfied with bus punctuality on First South Yorkshire and Stagecoach services respectively. The Bus Review also found that at present, bus priority measures, particularly bus lanes, are not consistent across the region in terms of their hours of operation. Even before the COVID-19 pandemic, there were changes in working times, in the hours of schooldays and in how retail and leisure facilities have extended their opening hours, all of which mean that travel demand patterns may be different from the traditional peak hours on which many bus lanes currently operate.

Each of the main bus operators has previously called for greater consistency of operation and enforcement across the region, indeed First South Yorkshire called for "effective and coordinated action on congestion hot-spots, bus lane operation and enforcement to deliver significant improvements in predictability and bus journey times to attract people out of their car".

To reflect the new travel demand patterns, we will review the operating times of bus lanes and standardise the hours of operation, where possible, across the region to give buses consistent priority on the region's busiest roads and at times when the benefits for punctuality will be greatest. We will also lengthen and/or widen bus lanes where this would give an immediate benefit and improve signing and lining to aid driver awareness and enforcement.

- 2. Improve pinch-point junctions at identified locations of greatest delay.** Bus service punctuality can be impacted by localised congestion at particularly busy junctions, even outside of peak travel times. This is evidenced by the data analysis carried out for this Plan whereby there is strong correlation between the least punctual services and the least punctual routes where delay hotspots are congested road junctions, such as Chesterfield Road in Sheffield.

Slower bus speeds can reduce patronage, with a 10% decrease in operating speed being shown to lead to a 10% decline in patronage. We will therefore prioritise improvements to those pinch-point junctions that are most adversely impacting bus punctuality. This will include giving buses greater priority over cars at busy times so that bus journey times are more punctual and therefore give passengers more confidence in network reliability. Work on this has already begun, with some pinch-point improvement schemes already identified and included in agreed gainshare improvements for 2021/22 and in South Yorkshire's bid to the Government's Levelling Up Fund.

- 3. Major junction improvements on the KRN to include bus priority measures as a core design requirement.** In the past, the needs of buses, including bus priority measures, have not necessarily been considered early enough in planning and infrastructure projects, which puts buses at an immediate disadvantage to private vehicles and often leads to a lack of real benefits once a scheme has been implemented.

As part of the option assessment stage of any scheme, major junction improvements on the KRN will require bus priority measures to be included and the input of bus operators and, where relevant, bus passengers, sought at the earliest possible stage. This process is already underway for the Shalesmoor Gateway scheme in Sheffield, which now includes a scheme objective to deliver a greater journey time saving for buses than other vehicles through the scheme as well as involving both First South Yorkshire and Stagecoach in a recent design workshop.

- 4. Develop a pipeline of bus priority improvements across the KRN.** The proposed South Yorkshire KRN encompasses our more strategically and economically important local roads and carries a significant proportion of the region's traffic. At present buses, are not generally given equitable strategic priority (largely with cars) across the proposed KRN and are not always prioritised for investment in improving journey times. There is a need for a systematic network of significant bus priority interventions across the region to drive improvements in reliability and journey times and make buses more attractive.

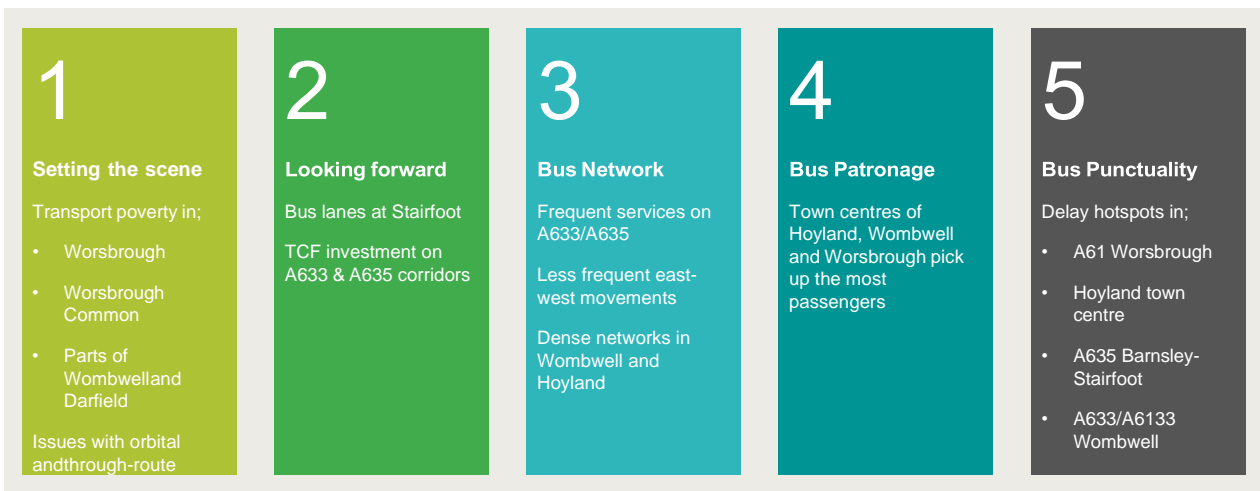
There is clear evidence elsewhere of the benefits of giving buses more space on strategically important roads, such efforts in as in Bristol and Brighton and Hove, where bus priority on key corridors has significantly improved bus reliability and increased patronage on the routes that benefitted from the priority measures.

The response to the COVID-19 pandemic has shown that re-allocating road space enables people to use more sustainable modes of transport and there is a need to find ways to 'lock in' these benefits over a sustained period of time. The flexible use of the South

Yorkshire road network during recent months indicates that an appropriate balance needs to be struck between the creation of new road infrastructure and making better use of the existing network.

The Devolution Deal agreed with Government already allows for greater collaboration on the management of the KRN across the city region by the respective highways authorities in partnership with the Mayor. The KRN should carry the core, high frequency, bus services with a high level of punctuality to encourage their use, meaning that effective priority is needed across this network.

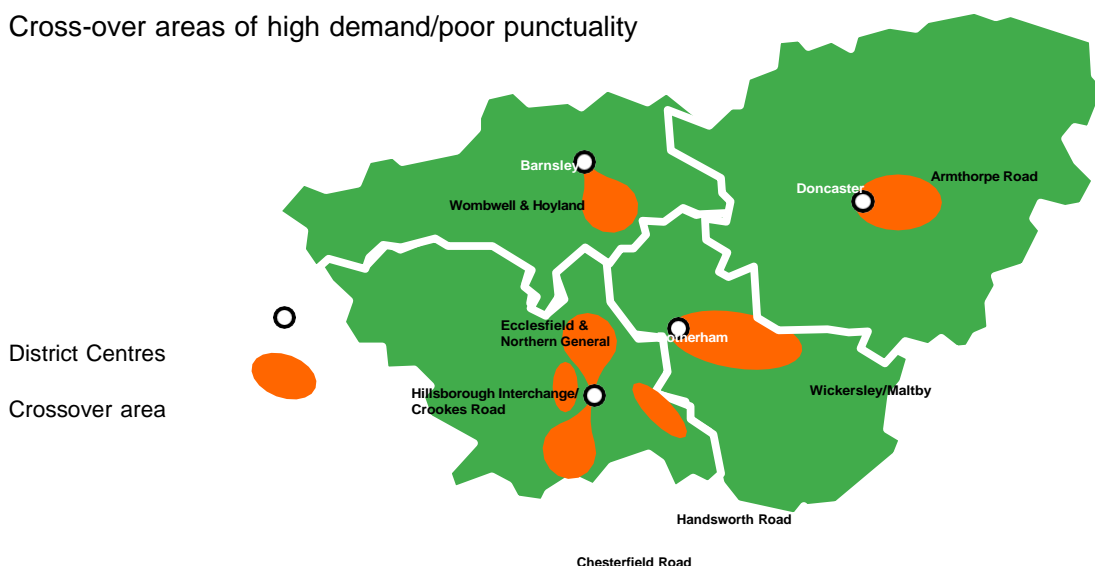
Understanding what is needed across the KRN will take time, but we will develop an agreed pipeline of significant bus priority improvements with bus operators, using a set of principles that have been developed and shown in Figure 26, using a corridor in Barnsley as an example.



**Figure 26 – Approach to Developing Bus Priority Measures**

Given a need to recover patronage levels as soon as possible, the development of the pipeline of bus priority improvements is already underway, with the aim to complete the work in November 2021. However, we have already started identifying areas of high demand and high unreliability shown in Figure 27 as areas where bus priority measures can be targeted.

Cross-over areas of high demand/poor punctuality



**Figure 27 – Areas for Initial Investment in Bus Priority Measures**



To ensure that we can make a start in delivering the required bus priority on these corridors, capital funding is already being aligned to this activity, both through the Levelling Up Fund bid and the CRSTS, with early bus priority measures identified on the A635 in Barnsley, the A18 corridor in Doncaster, Warren Vale in Rotherham, and the A61 Chesterfield Road in Sheffield.

## Supporting Inclusive and Sustainable Economic Growth

Public transport, especially bus, is vital for everyone in our region but especially those people from deprived communities. Without this underlying public transport network, people face challenges in accessing social, education and employment opportunities. Passengers have reported that poor or no access by bus meant they either had to use private vehicles (which some could not afford) or simply not take up a job offer because they could not reliably get to work. This example of poor public transport as a barrier to employment and therefore productivity, is where we see increased investment and the activity set out in this Enhanced Partnership Plan playing a major role in arresting this decline and levelling up our public transport network in South Yorkshire.

- 5. Review and strengthen access to the bus system and explore new types of Demand Responsive Technology (DRT) bus services away from the core routes.** The route analysis work currently underway will help us understand the shape of the network we should be working towards by November 2021 – one that not responds to current demand but helps create new demand and that serves every community across South Yorkshire. This could be achieved over time both by a reconfiguration and expansion of scheduled routes, but also other methods like DRT.

Bus service frequency has fallen significantly away from core routes in recent years as a result of funding pressures and routes becoming no longer commercially viable, hence there exists a spiral of decline created by commercial vulnerability and reducing patronage which has left many rural areas cut off from bus services. South Yorkshire ranked among the lowest authorities in England for 'at stop' waiting time satisfaction. The same analysis also identified that "doesn't run" and "doesn't run when I need it to", are amongst the most common reasons car users give when explaining why they do not choose to travel by bus.

DRT services have been launched in other parts of the UK to bridge the gap between core bus routes and those areas where a timetable bus service is not effective at meeting customer needs. The TeesFlex service and the recently launched FlexiBus East Leeds both provide an alternative to timetabled services enabling customers to 'hail' a bus via an app and board at a 'virtual' bus stop (usually a location within 200-300m of their location). The former is targeted at areas where there have been cuts to tendered services in recent years, whilst the latter is more targeted at areas of employment and housing growth where there may not yet be a critical mass for a commercial service. The flexibility provided by such vehicles enables a service to be provided that responds to customer demand, targets resources where they are needed as well as helping to improve passenger satisfaction regarding wait times at stop.

To improve service frequency away from key corridors, we will explore new DRT bus services that can better serve areas that are not accessed by core routes and/or health and education facilities. We will build on good practice, such as the Transport for London DRT trial that took place in 2019 and West Midlands On Demand, as well as the two examples above.

The work commissioned by the MCA will provide an indication of where such services may be beneficial as part of the future bus network by November 2021, but it is clear that areas where there are employment sites but relatively poor bus services at present, especially where there are historic shift patterns, such as in the Dearne Valley, would be suitable candidates as well as major hospitals.

Given a desire in the National Bus Strategy to improve bus facilities for tourists and the proximity of many parts of South Yorkshire to open space, this may also be an opportunity to trial a new DRT service. Initial discussions have been held with the Peak District National Park on considering a new DRT service based on the Hope Valley Explorer and the Moorlands Connect services, providing enhanced bus access to both the National Park itself and also the Hope Valley rail line within it.

6. **“Turn up and go” frequencies across the KRN with additional services at evenings and weekends.** While it is important to make sure that everyone has access to bus services no matter where they live, it is crucial to maximise service offer where there is demand. This is critical in our recovery following the impact of the COVID-19 pandemic.

We know from our research that poor frequency is causing car and taxi reliance in the region and that, from our customer research and benchmarking exercise conducted through the Quality Analysis work “doesn’t run enough” and “doesn’t run when I need it to” are common reasons given for not using the bus. A comparison with other areas from the most recent Transport Focus passenger survey, as shown in Figure 28, shows that South Yorkshire does not perform comparatively well for satisfaction in terms of waiting time for the bus.



Figure 28 – Comparison of Bus Waiting Time Satisfaction from Transport Focus Surveys

Research also tells us that of the groups most likely to be influenced to use the bus through an increase in frequency, the top three are younger passengers (aged 16-34), commuters and those who own two or more private vehicles currently. All three are clearly target markets for passenger growth, with the latter two in particular also being important to achieve mode shift.

Therefore, we will increase service frequency on the core routes across the KRN so that passengers do not have to wait more than 10 minutes between timetabled services across the daytime, supported by feeder routes as appropriate. This will make it easier for passengers to use bus services along key corridors and help modal shift away from cars. Through the route analysis work that is being undertaken, we will identify corridors where there are opportunities to change current timetables to make services more regular within the “turn up and go” aspiration – this work will be complete in November 2021.

We will also aim to make the bus a genuine alternative to the car by ensuring useable frequencies for evening and weekend/holiday services. This will help support new leisure opportunities in the urban centres and also to reflect a change in retail opening hours and customer habits over recent years.

- 7. Secure additional vehicles to operate additional mileage/uplifted frequencies/extended hours of service.** On average a bus in South Yorkshire will contribute to the delivery of over 30 separate services – this means that there is little or no capacity to deliver the extensions to the bus network that will arise from increased frequencies and/or extended hours of service within the existing fleet.

We will secure additional vehicles to operate additional mileage, increased frequency and extended hours of service once we have a preferred future network identified in November 2021. As part of the continuing analysis that is supporting this Plan, we will also consider the range of vehicles that we may need to address this additional demand for capacity, for example, smaller vehicles on DRT routes.

- 8. Make best use of existing assets.** In accepting that additional vehicles will almost certainly be needed in the future, it is logical to first make use of existing vehicle assets across the network, especially if smaller vehicles can be deployed on some routes. The concept of ‘total transport’ has been applied elsewhere, with operators and local transport authorities alike supporting more efficient use of resources within a system, such as health and education vehicles, not just those dedicated to public bus services.

There is a need to look at what vehicles can be ‘freed up’ in the system as a result of other initiatives as well understanding what elements of the ‘total transport’ concept might be used to provide any new/expanded network in a cost effective manner in South Yorkshire.

For example, if we save, say, 6 buses across the network due to the first two years of bus priority measures as a result of improved reliability, these vehicles should be deployed first in other parts of the network to enhance the offer. In addition, if there are education or healthcare vehicles ‘spare’ at some points during the day, could these be used to provide additional vehicles across the network at those time to enhance the offer? In this way, existing assets are used more effectively, and the additional costs of enhanced frequencies and hours of operation are minimised.

- 9. Ensure that ticket prices are more competitive with other modes and parking charges in urban centres.** The price of bus travel relative to other modes is a major factor keeping passenger numbers down, and high prices can easily exclude people with lower incomes from using the network, as well as encouraging those with cars to view them as preferable to the bus. At present, the price of single bus tickets is often higher than the equivalent parking charge in urban centres, especially if more than one person is making the same journey as part of a group. Where local authorities have control over a significant volume of parking provision (and hence charging), policies have been put in place to minimise charges where possible in order to support the survival and success of town and city centres which

have been decimated by recent economic turmoil. Especially in the absence of a better public transport service, this is an understandable approach and one which does need to continue in the immediate period of recovery from the COVID-19 pandemic.

However, in the medium to long term, mode shift is needed in our urban centres to improve air quality but also to enhance the quality of the centres themselves. As more local centres benefit from an increase in home working, the aim should be to encourage the regeneration of local high streets, but to avoid them becoming congested to the point that buses cannot access them, the urban environment becomes unpleasant, and business actually suffers. So long as adequate public transport alternatives are in place, reducing congestion and shifting travel away from cars can be associated with real economic benefits, in addition to any positive environmental, health and quality of life impacts.

Over time, therefore, a more appropriate balance does need to be struck, with the aim of making the price of a day ticket more competitive than the equivalent cost of car use, especially taking account of all-day parking charges in our urban centres. This is something that we are committed to achieving as our region moves forward.

- 10. Ensure planning policies encourage bus use, particularly for new developments.** The National Planning Policy Framework stipulates that new commercial and residential developments must be accessible by public transport. We will continue to support the implementation of this policy framework in South Yorkshire.

However, there are a number of examples of where this has not been borne out in practice and therefore, buses are not effectively integrated into major new developments. For example, the Waverley housing development in Rotherham (a new 4,000 home community) was originally designed to include a bus interchange but this has not yet been provided. The estate is in a key strategic location, situated in very close proximity to the M1, 15 minutes from Sheffield city centre and next to the nationally leading Advanced Manufacturing Park. Not implementing the original plans has meant residents are reliant on cars leading to significantly increased congestion on the nearby Sheffield Parkway – a key corridor on the proposed KRN.

It is crucial that public transport (alongside active travel) is given full consideration for all major developments across the region as our economy continues to grow. We will ensure that all planning policies include ways of encouraging bus use and that commitments to provide public transport links for new developments are maintained. Similarly, we will ensure that developments within urban centres will promote and support active travel and public transport, with any parking provision in line with this commitment.

### **Using Technology and Data to Improve Connectivity, Quality and Resilience**

There are many parties involved in the delivery and operation of South Yorkshire's bus network, a situation that often creates issues for the customer, but better use of technology and data can help 'join up' the system much more effectively and also enhance the efficiency of operation for those involved.

- 11. More effective data use and improved data sharing between authorities and operators.** The lack of resilience of South Yorkshire's road network often has an adverse impact on bus service punctuality and reliability. Extreme weather (be it snow or heavy rain) has a major impact on services as roads become unpassable resulting in services being cancelled or rerouted, often at short notice. The impacts of congestion (whether resulting from incidents, planned events or sheer volume of traffic), also results in severe issues for the reliable operation of public transport.

Better use of, and sharing of, data across the South Yorkshire's transport network would improve resilience, utilising the Urban Traffic Management and Control (UTMC) system. Going forwards, the UTMC system should be cloud-based, allowing all authorities and operators to work more efficiently, reducing cost and complexity, whilst bringing freedom, agility and integration to the real time management of the network. Access to real time information collected from across the whole of the KRN will allow regular monitoring and reporting on the performance of the network, shared with bus operators.

One part of this pro-active network management could include enhanced strategic management of key bus corridors to develop more reliable public transport links between key growth areas and employment zones and real-time alerts of unplanned events. The sharing of GPS locational data by bus operators can help locate buses on the network and initiate strategies to speed up buses or affect necessary diversions. Bus operators can also share information on bus occupancy to allow customers to understand how full services are, an important factor in attracting people back on to the bus.



Access to real time information from across the network presents opportunities to deliver centralised transport and travel information to everyone across South Yorkshire – daily bulletins, roadworks information, incident alerts, variable message signs and information about alternative options, on web-based and social media platforms.

This puts the user at the heart of the new system, providing open data for future app development and can help with enforcement and influencing and improving driver behaviour. Through better network intelligence, it will be able to provide a mobility network which is more reflective of the current movement patterns across the region, encouraging multi-modal shifting by giving residents more data to make intelligent decisions about their mobility plans.

- 12. Network-wide traffic management and bus detection.** At a number of locations of delay, relatively small-scale interventions could have a significant positive impact on reliability, for example amending traffic signal timings to give slightly more green time for key bus routes, introducing bus detection at some points so as to extend the green time when a bus is approaching and addressing locations where queuing traffic can sometimes block the entry to, or exit from, bus lanes and bus stops.

A series of small-scale improvements across the network will be investigated and developed to ensure that existing facilities offer the benefits that they should and that delay 'hotspots' are tackled. Funding was identified in the CRSTS bid for this purpose. As traffic signal maintenance programmes are rolled out, the ability for this equipment to enable bus detection as well as to be linked to the new UTMC system, will be a routine part of the upgrades.

# Fairer South Yorkshire

## Vision for the Bus Network

- Meeting the customers' fundamental transport needs
- Offering value for money
- Being accessible, integrated, simple and efficient

## Meeting the Customers' Fundamental Transport Needs

Passenger confidence in South Yorkshire's bus system is our number one priority, yet there are a number of reasons why too many people do not see travelling by bus as a suitable choice of transport. In essence the view from current and potential users is that the current system is failing to meet their fundamental transport needs. Therefore, to recover patronage as we are targeting, we must make sure buses support people to make journeys across the region, regardless of where people live or where they are travelling to.

### 13. Implement a consistent standard across whole journey experience and all operators.

Passenger feedback revealed inconsistent journey experience is a significant concern for passengers in South Yorkshire and can be a genuine barrier to travel for those passengers who need additional support. For example, accessibility is not consistent across the network and therefore disabled passengers do not always see buses as a reliable mode of transport. Wheelchair ramps are not available on every vehicle and where they are available, they are not always mechanically operated.

We want people, especially non-bus users, to see buses as an appealing alternative to car. We will work with operators and passengers to determine consistent bus journey standards for all operators that will apply in all parts of our region. This consistent standard will apply across a range of elements, summarised in Figure 29.

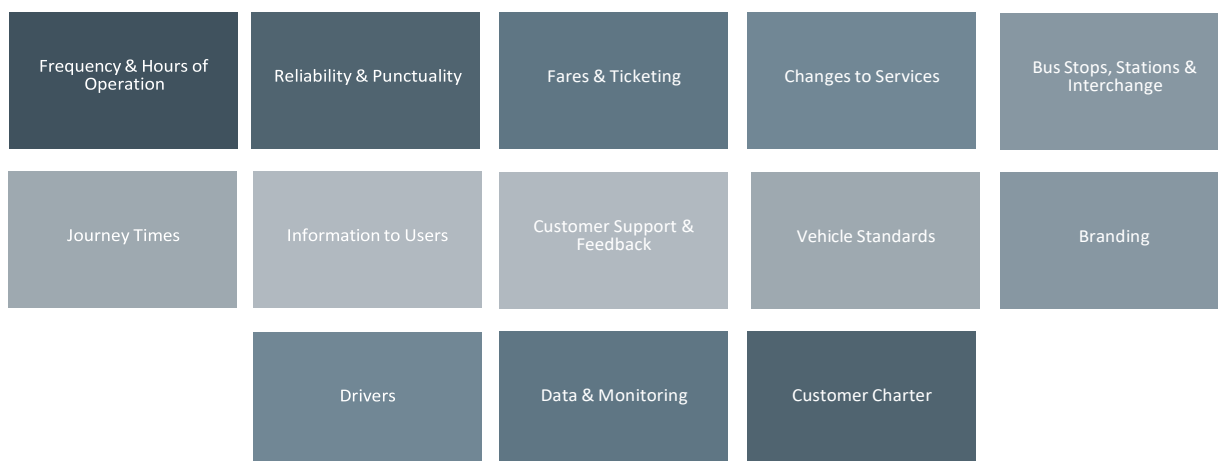


Figure 29 – Elements of the Quality Standard for the South Yorkshire Bus Network

This will include a consistent set of ticketing products and where to buy them, underpinned by publication of open fares data on the national platform.



These elements will be developed further to form the basis of a refreshed Customer Charter, but research has indicated that there are priorities within this list that will address current issues as patronage recovers from the COVID-19 pandemic. These are highlighted in Figure 30.

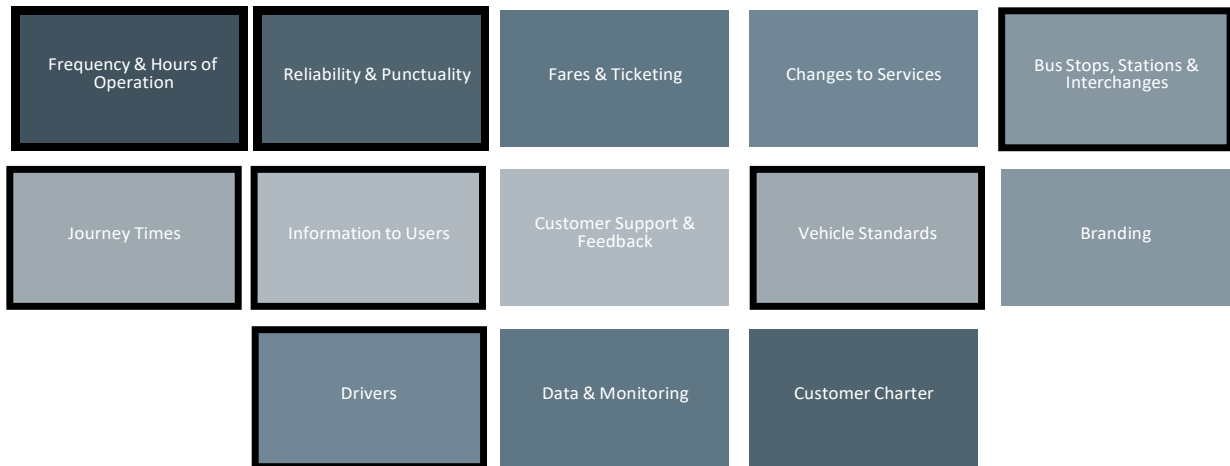


Figure 30 – Priority Elements of the Quality Standard

The prioritised activities described within this Plan have been identified and developed with this in mind, trying to ensure that whatever we do in the short term has a clear focus on the needs of existing and potential customers.

14. **New Customer Charter to reflect new quality standards and a consistently high level of service.** All of the improvements we will make to customer service and passenger experience will be cemented in a single refreshed Customer Charter that will set out the new quality standards that passengers can expect to receive across the network. At present there are individual charters that operate for each of the four existing bus partnerships, but not one that covers journeys across the whole region. We are working towards developing a draft Customer Charter in November 2021, which will then be discussed and agreed with operators and passenger groups to ensure that they are instrumental in its development and implementation from March 2022.
15. **Establish on-street standards to include at bus stops.** As with journey experience, it is critical to give passengers consistency at bus stops, with evidence of significant differences in the infrastructure supporting passengers to make journeys, such as provision of seating. Disabled passengers in Barnsley have indicated that large print communication is not readily available at bus stops which makes it very difficult to receive information. As part of the outcomes of the Bus Review, Commissioners recommended the creation of a blueprint for the design of the network to establish minimum consistent standards, particularly at bus stops.

The analysis commissioned by the MCA shows that the provision of high quality information provision would have the greatest impact on infrequent and non-users, visitors and tourists, members of BAME groups and older passengers. By improving and simplifying fares information, installing real time displays at stops, providing audio-visual announcements on board and creating a strong network identity for the South Yorkshire bus network, a positive impact on patronage could be achieved as well as delivering wider benefits for all users.

In establishing consistent standards across the network, an early area of focus will be on-street standards, which will include timetable displays, real time displays, bus stop flags, and ensuring printed information, accessible to all passengers, is available in key locations, with shelters to be clean and well-maintained.

A programme of bus shelter modernisation is planned through both the gainshare commitment (that will see about 500 existing shelters replaced) and a bid for investment has been made as part of the Levelling Up Fund for an additional 1,000 new shelters in the following two years.

We will also review where real time information at stops would be most effective, with plans to provide an additional 250 new displays through the gainshare commitments and a further 1,000 displays through the Levelling Up Fund bid.

- 16. Agreed operator standards on fleet quality, presentation and cleanliness.** Vehicle age sometimes affects the quality of the bus offer, particularly as older vehicles may not have, or be easily adapted to have, more recent innovations like wifi and charging points. As the average age of vehicles differs between operators and different parts of the region, so does the quality of vehicles. 32% of respondents to the Bus Review survey reported some form of dissatisfaction with quality and condition of buses, with passengers calling for greater consistency in standards on board, for example “On new vehicles and when refurbishments are carried out it would be also helpful to include USB points, especially on buses used for longer distance routes. In my experience these are currently available on a tiny proportion of buses”.

Presentation and cleanliness are cited as key factors in providing confidence to return to the bus following the COVID-19 pandemic, and so the quality of the fleet provided, and its appearance, will be key areas to focus on in the short term. We will work with operators, as well as passenger groups, to establish common standards for fleet quality – everything from onboard technology to how fleet can be better designed to support disabled passengers, identifying short term measures that can be undertaken to underpin passenger confidence.

There will also be a fleet renewal plan developed, given the older than average age of buses in South Yorkshire. Sources of investment will need to be identified and the existing fleet will need to be replaced with lower emission vehicles, but ultimately the deployment of new vehicles will allow for better standards across South Yorkshire for the benefit of passengers.

- 17. Ensure staff are well trained and motivated to offer top customer service.** The most recent Transport Focus survey indicated that the biggest factor affecting passenger satisfaction was the bus driver, and more detailed analysis of this factor shows that South Yorkshire benchmarks low compared to other authorities for driver style. It also identified that those passenger groups who we need target to increase patronage (infrequent users, non-users and young people) tend to be most concerned about driver interactions. Therefore, there is a real need to ensure we provide consistent high quality driver training across the system regardless of operator or geography.

All bus drivers will receive high quality customer service training in addition to driver training, including specific disability awareness training so that they have a greater understanding of the additional needs that some passengers have. Passengers who had a disability reported being the least satisfied with bus services in South Yorkshire in the Transport Focus survey.

**18. Renew safety and security efforts across the network to promote a feeling of personal safety.** Recognising the need to invoke a feeling of safety and security amongst passengers, we will build on our existing arrangements. For example, a “Safe Places” scheme is already in place in South Yorkshire to safeguard passengers across the network but at present, the scheme’s operation is only limited to the four main interchanges plus Meadowhall. We will look to extend the “Safe Places” scheme to cover the whole network from the start of the Enhanced Partnership – including bus stops, all interchanges, and on-board buses – so that everyone has safety and security wherever they make their journey.

**19. Major service changes to be limited to twice per year.** Regularity of service changes is a key issue with passengers, and despite the existing bus partnerships agreeing that service changes should only be made at three agreed time each year (one major change relating to the start of the new term and two minor ones), the reality is that passenger experience changes on a much more regular basis due to operator necessity.

The rail network operates with two change dates each, and so we will move to a similar system in South Yorkshire, to give passengers more certainty and stability. Bearing in mind the importance of the September change date to reflect the academic year, it is suggested that the two change dates be at Easter and September. We will need to confirm that the suggested dates could work in practice, particularly in relation to cross-boundary services.

This would also mean that, further to any network changes made under the existing partnership arrangements over the next six months, there would be no further changes to the network within the first six months of the Enhanced Partnership.

**20. Wider passenger representation.** One of the issues often raised by passengers is the lack of consultation on elements such as proposed service changes ahead of when they were announced, or even introduced. For example, changes to Rotherham services by First South Yorkshire and Stagecoach were put out for consultation in late 2019 and introduced in 2020. Subsequent revisions were made to the service changes, yet the plans were not re-issued for consultation.

Passenger groups reported the confusion that this causes (especially for disabled groups) and the frustration at not being able to give evidence about the impact on passengers that proposed service changes would have. We will address this by making sure that a wide range of passenger engagement has been sought in a timely manner when service changes are proposed, and the reduced number of service change dates proposed should help with this new approach.

Through the development of the Enhanced Partnership, we will also investigate ways to widen passenger representation in the development of future bus policy and activities arising from this document, such as the refreshed Customer Charter.

**21. Develop a common complaints procedure.** Inevitably, even with every measure taken to provide passengers with the best possible service, issues will arise. At present, customers are required to follow the complaints procedures of different operators which can be confusing and time consuming, especially if they have encountered multiple operators on their journey. In the case of lost property, the lack of centralised points for lost property makes it very hard for passengers to be reunited with any lost possessions.

Where passengers may experience some dissatisfaction with the service they receive in the future, we will work with all operators across the South Yorkshire public transport network to develop a common complaints procedure and in tandem, create a centralised approach to how lost property will be dealt with on co-ordinated routes.

This should also maximise operator resources by developing a more effective approach across the network.

- 22. Booked assistance system and availability/resource at bus interchanges and interchange hubs.** Booked assistance schemes are not a new concept – the rail industry has offered this service for a number of years, however this is not common across the bus network. Offering this service at our main interchanges would help to bring them in line with the offer available on the rail network.

Whilst booking assistance to support travel is positive, there is a drawback in that this removes some of the freedom to travel due to the advanced notice required. As cited in the National Disability Strategy 2021, ScotRail's passenger assist service reduced its assistance booking notice period to one hour, and the introduction of a British Sign Language (BSL) app has significantly improved frontline staff communications with BSL users. Spontaneity to travel is something that should be available to everyone therefore, alongside offering the ability to pre-book support, keeping the advanced notice period to a minimum would help bring parity in journey experience between those requiring additional support and those who do not.

- 23. Develop interchange cleanliness standards.** Along with vehicle cleanliness, it is crucial passengers enjoy spending time in interchanges as part of their journeys. The COVID-19 pandemic has given rise to heightened focus on public hygiene which has led us (and operators) to re-examine how cleanliness standards at the main public transport interchanges and their facilities are being monitored.

We will develop common interchange cleanliness standards for bus interchanges, including the toilets, so that no matter where a passenger is on their bus journey, they know the facilities around them will be hygienic and safe to use.

- 24. Introduce a last bus promise and consider refund dissatisfaction guarantee.** Bus operators often work together to offer forms of compensation in the event that bus services do not meet the passengers' satisfaction, or if their last bus service is more than 20 minutes late/cancelled. In South Yorkshire we want to build on nationally recognised good practice that has been well-received by passengers and confirm the arrangements included in some of the existing voluntary partnership agreements, which are often poorly understood. We will re-inforce and promote a last bus promise which means passengers will not be stranded or forced to take expensive taxi journeys if the last bus is late or does not turn up.

In parallel, we will work with operators to explore a refund guarantee scheme in the event passengers are not satisfied with their bus service. This will need to align with the Customer Charter that we have committed to refresh to reflect consistent, higher standards across operators, and also need to be mindful of any targeted price incentives that are offered.

### **Offering Value for Money**

Passengers want a good quality, reliable bus system, but they also want bus travel to represent good value for money. In return, the more people that travel by bus, the more cost efficient the system will be, and so the more revenue will be available to re-invest in the network and services, making the overall system financially sustainable.

At present there is an array of tickets available for passengers across the network which do not always provide the best value for money, especially if prices rise more regularly than passengers feel is acceptable or by a factor that is significantly above the cost of living and average wages.

Ticket technology in South Yorkshire lags behind comparable metropolitan areas and therefore

does not offer the flexibility needed to adapt to passengers' changing travel patterns.

Customers' views on value for money are, in part, a reflection of the complexity of the ticket offer, which can lead to purchasing the wrong product and having to pay more later, or to concern that they have selected the wrong option, thereby undermining confidence.

Whilst benchmarking suggests that in general South Yorkshire fares are lower than other metropolitan areas, fares have risen substantially above inflation in the past decade and there remains a significant difference in absolute and capped fares between London and other metropolitan areas. For too many people, bus travel is prohibitively expensive both in comparison to other modes like cars and, for lower income groups, in absolute terms as well.

It is therefore important not only to address the complexity that leads to customer concerns, but also to make buses better value for money, especially compared to other modes. Given the need for investment and the financial pressures on all parties, a careful balance needs to be struck about the timing, but at a minimum we need increase the perceived value for money of our buses and develop targeted offers for those groups who need additional support to access the network.

**25. Price rises limited to once a year.** At present, operators can increase fares ad-hoc in response to serious commercial pressures, yet this causes uncertainty for passengers and increases the costs of travel for passengers who rely on public transport. By comparison, the rail industry has a single regulated fare rise point each year (1 January), with those fares linked to an appropriate index, although unregulated fares can also change on two other occasions.

We will aim to align the approach to regulated fare rises with the rail industry and to make sure that the cost of bus travel will only increase once a year, if necessary, to provide clarity and certainty to passengers but also to secure a sense of better value for money. Again, we will need to confirm how this could work in relation to cross-boundary services.

**26. Review the removal of some single operator products.** The eventual goal must be for South Yorkshire to have an integrated transport system for the whole region, with a simplified fare structure and inter-operation among modes and operators. Passengers should not have to make complex decisions about which operator to use for the cheapest ticket or whether their tickets will be valid on the route they want to travel.

In view of the complexity of the current ticketing offer and the aim to make the system simpler for people to use, to start this process, bus operators will review their single operator products and consider withdrawing them in order to simplify the offer to customers and enable the majority of products to be used on any operator's services. This will remove any interchange penalties for customers who find that they need to swap to another operator's services. To be in line with current legal restrictions on competition, each operator will need to undertake their own review and come to their own decision on the appropriate course of action, but operators have committed to implement the findings of their own reviews and this will be included within the Enhanced Partnership.

**27. Develop a consistent offer for under 21s and additional concessions/discounts for target segments.** In recent years patronage decline has been most significant among ENCTS passholders, as previously highlighted, and with young people. Only 72% of people aged 16 to 34 reported having some form of satisfaction with value for money in the most recent Transport Focus survey, yet the analysis carried out for this Plan reveals that young people are the most incentivised to travel by bus. It is crucial we translate this appetite into patronage.

Steps have already been taken to improve concessionary travel in South Yorkshire. As part

of the South Yorkshire COVID Recovery and Renewal Plan, in June 2021 it was announced that fares would be reduced for everyone aged 21 and under for a period of one year, bringing the cost of a single bus ticket to just 80p. This precedent will be used to agree a longer term offer for young people, apprentices and jobseekers. We will also consider targeted discounts to TravelMaster products to stimulate recovery, similar to the discount offered in Summer 2021, plus an offer of free travel to under 18s subject to the required funding being made available.

**28. Develop day and week price capping to guarantee best value.** Recent research from Transport Focus suggests that people increasingly want contactless payment as part of a raft of ‘cleaner’ measures post-COVID, and there is a desire for ‘tap and cap’ as a slightly longer term ambition, where customers tap in and out of bus and other public transport services and are charged a capped fare at the end of the day or week as appropriate. Eventually, there is a strong case for tickets that are usable for a journey across any number of operators (and possibly modes) for a fixed time period.

‘Tap and cap’ technology is gradually being introduced across the UK, with some places successfully transitioning away from cash payment. For example, on Brighton and Hove Buses, ‘tap and cap’ is used for around 85% of bus fare payments and has just become enabled for multi-operators.

In South Yorkshire, ‘tap and cap’ technology is not yet in place across the whole of the public transport network, although there have been successful trials carried out by First South Yorkshire in Doncaster and the COVID-19 pandemic significantly increased the use of contactless payments due to hygiene measures in place.

We will build on passenger demand to transition away from cash payment and the small number of operators without this technology will be supported to implement this through the purchase of ticket machines that accept contactless payment, subject to the recent Levelling Up Fund bid.

As a first step to achieving this aim we will work with operators to make the existing multi-operator product range the most attractive option for travel around the Region. Together with the simplification of the product range, this will provide all the building blocks required to put in place ‘tap and cap’ ticketing across the bus network for day and week tickets that will guarantee passengers best value for money, as well as simplification of ticketing whilst speeding up passenger boarding and reducing delays.

This will be developed in partnership with operators and passenger groups but assumes that a technical solution to process transactions is available as Government has stated that LTAs should not seek to develop this independently. Should there be a significant delay to the delivery of a national technical solution to support ‘tap and cap’ across all operators, we will seek to deliver a South Yorkshire bus solution that can interface with other regions and other modes in due course.

It is the intention that this offer will be extended to tram services and to the local rail at the earliest opportunity, and we will work with those operators and third parties to bring this about.



**29. Employer engagement and ticket discounts offered to incentivise bus use.** We recognise that in the short term, we will need intensify efforts to encourage people to choose to travel by bus in South Yorkshire – in part because of the uncertainty and hesitancy caused by the COVID-19 pandemic.

At this time, people are being encouraged to return to work in person as part of hybrid working patterns, so this will require a more flexible ticket offer for passengers whose lifestyles are adapting to suit new ways of working. But it also needs engagement with employers across the region so that we can reach out directly to the region’s workforce and incentivise people to choose buses over cars for part or all of their commute to work, advocating personal tax relief for bus season tickets as happens with the rail industry. This will also provide a model for work with JobCentre Plus and other groups to enable corporatesupport for take up of public transport.

### **Being Accessible, Integrated, Simple and Efficient**

It is crucial that everyone in our region is able to access and make public transport journeys across our region and that from a passenger perspective, it operates as one joined up system that connects with other forms of transport including light rail and train.

**30. Implement consistent use of ‘South Yorkshire’ brand across the network.** Whilst there is some common branding within each of the four local authorities, and many on-street facilities and interchanges use the ‘Travel South Yorkshire’ brand, this does not extend across the South Yorkshire bus network or across the wider public transport network. Branding of the bus fleet is inconsistent, with each of the bus operators adopting their own branding. In the case of First South Yorkshire and Stagecoach, which is in keeping with national livery.

Common branding is a relatively simple, yet effective means of demonstrating a more joined-up system, as has been shown with recent improvements in the West Midlands. We will work towards a common branding across the South Yorkshire public transport network, starting with on-street facilities and working with operators to understand how this can be rolled out across bus fleet as part of the deployment of new vehicles, mindful of how this can apply to cross-boundary services.

**31. Increase the availability of off-bus retail outlets.** We will use Levelling Up funding to provide up to 20 new off-bus retail machines across the network. This will both increase access to the network but also enable some products to be withdrawn from on-bus sale over time, and which will help to speed up boarding times and therefore improve journey times.



**32. Enable one single source of information to plan journeys.**

At present passenger journey information is spread across a wide range of different data sources, largely provided online or through mobile phone apps. Passengers may also need to use online information provided by different bus operators where their journey includes multiple bus services. This problem is exacerbated when passengers make multi-modal journeys. By comparison, travelling by car often involves just putting a postcode into a single in-car system that can provide dynamic journey information.

Figure 31 shows the typical information needs of a customer and the channels that they may use to obtain that information across the whole of a journey.

We want to make travelling by bus simple for passengers, especially infrequent or (current) non-bus users. We will enable a single source of information that provides passengers with

journey information for buses as well as other forms of transport, across their whole journey. We will also ensure that we provide open data sources to allow other parties to develop applications that will help meet customer needs and present a more integrated network.

|   | Before Starting the Journey  | Before Boarding the Bus  | During the Bus Journey  | After Journey   |
|---|--|--|---|---|
|   | Deciding to travel   | Planning and checking options  | Getting to the Stop   | Experience at Stop  |
|   | Boarding Bus   | On-bus Experience  | Downward Journeys/ Connections  | Satisfaction, Feedback, Customer Support  |
| <b>Typical Information Needs</b>                    | <ul style="list-style-type: none"> <li>Overall awareness and perception of bus compared to other modes;</li> <li>Journey planning:               <ul style="list-style-type: none"> <li>Proximity of stops, routes, timetable/frequency, journey time; fares and ticketing options, live disruptions; and</li> <li>Different options;</li> </ul> </li> <li>Specific user needs:               <ul style="list-style-type: none"> <li>Accessibility of stops and vehicles;</li> <li>Pass acceptance – e.g. concessions</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>Directions / wayfinding to the stop;</li> <li>At-stop information:               <ul style="list-style-type: none"> <li>Network overview;</li> <li>Stop specific routes &amp; changes;</li> <li>Stop specific timetable / frequency;</li> <li>Fares and ticketing options;</li> <li>Live arrivals and disruptions;</li> <li>Vehicle accessibility;</li> <li>Cleaning information; and</li> <li>Contact information – e.g. customer support and feedback.</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>Route/location/vehicle specific information:               <ul style="list-style-type: none"> <li>Network overview / mapping, fares and ticketing;</li> <li>Stopping information:                   <ul style="list-style-type: none"> <li>Notifying users of their location, next stop, and arrival at stop / interchange, destinations at stop, and onward connections;</li> </ul> </li> <li>Live disruptions;</li> <li>Cleaning information;</li> <li>Health, safety and security information; and</li> <li>Contact information – e.g. customer support, feedback.</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>Ways to provide feedback on elements such as:               <ul style="list-style-type: none"> <li>Journey experience, e.g. driver interaction;</li> <li>Safety and security issues, including anti-social behaviour; and</li> <li>Complaints and customer support issues;</li> <li>Potential improvements.</li> </ul> </li> </ul> |
| <b>Typical Touchpoints &amp; Channel Priorities</b> | <ul style="list-style-type: none"> <li>Online – website</li> <li>Mobile device – website or app</li> <li>Person to person – call/ information centre or station, word of mouth / forums;</li> <li>Printed materials;</li> <li>Media – news sources;</li> <li>Customer charters.</li> </ul>   | <ul style="list-style-type: none"> <li>Journey planners &amp; signage;</li> <li>Shelter information board, poles and flag, branding;</li> <li>Real-time Information Panel</li> <li>Pointers to other information sources:               <ul style="list-style-type: none"> <li>Stop reference number;</li> <li>NFC tag or and QR</li> <li>Call centre numbers and website addresses.</li> </ul> </li> </ul>  | <ul style="list-style-type: none"> <li>Driver interaction;</li> <li>Externally on the bus – running boards, service numbers, liveries;</li> <li>Internally on the bus:               <ul style="list-style-type: none"> <li>Printed materials, posters, stickers, etc;</li> <li>Live audio announcements and visual queues, e.g. digital information panels;</li> <li>Pointers to other information sources:                   <ul style="list-style-type: none"> <li>Call centre numbers and Website addresses.</li> </ul> </li> </ul> </li> </ul>   | <ul style="list-style-type: none"> <li>How to access customer support and feedback methods, including:               <ul style="list-style-type: none"> <li>Online, mobile, app,</li> <li>Person to person – call centre or kiosk;</li> <li>Postal address;</li> <li>Access information for ongoing surveys and survey outcomes.</li> </ul> </li> </ul>                   |

Figure 31 – Information Provided to Users as Part of a Journey

### 33. Develop simple high frequency networks that enable easy integration with other modes.

The current bus network does not support a fully integrated transport network and changing travel patterns means flexibility between different modes of transport is a big consideration for passengers. Better integration is required.

First, we will make sure that the right ticketing options are available both across different services, but also that ticket types reflect new travel patterns, for example, whether a weekly ticket is still relevant. Our goal is a multi-operator, multi-modal ticket across the system within a set period, in tandem with our commitment to provide passengers with a single source of information for all modes of transport.

Second, we will seek to systematically co-ordinate timetabling so that frequent bus services are rational (avoiding overprovision on some routes and times and under provision on others) and aligned not just within the network but across to the local rail and tram networks. Work is ongoing to identify priority locations where integration between bus and other modes could be improved, but Figure 32 provides an initial indication as to how such improved integration could work in practice.



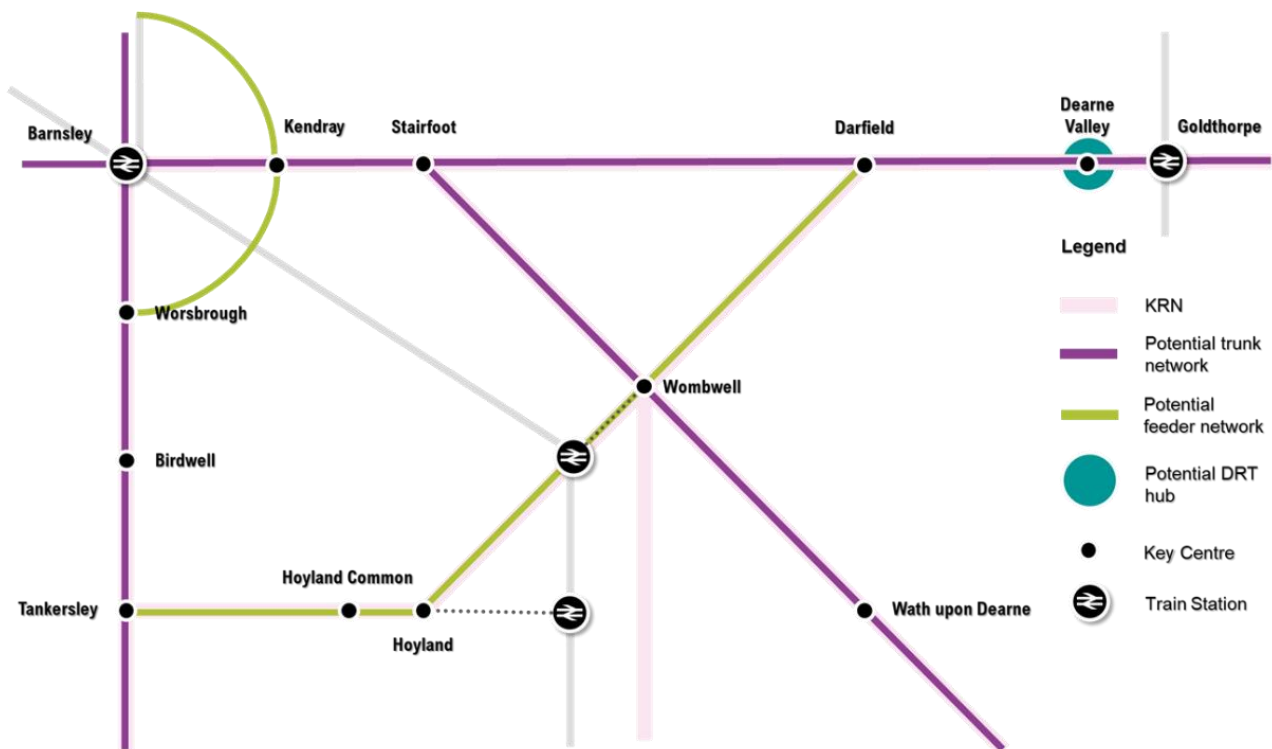


Figure 32 – Towards a More Integrated Network

**34. Roll out additional AV equipment on vehicles to improve consistency of information.**

A very small minority of buses are fitted with audio and visual information equipment and at present is only available on two routes, both of which operate in Sheffield. AV equipment is commonplace in other UK towns and cities, including London and on Metrobus services, and is very much the norm across Europe. It is vital in helping infrequent bus users or disabled passengers to complete a journey with confidence, security and in safety and so we will increase the use of AV equipment on our buses, both as new buses are deployed, but also by amending older vehicles.



# Greener South Yorkshire

## Vision for the Bus Network

- Leading to a net zero system

### Leading to a Net Zero System

There is no credible path to achieving South Yorkshire's carbon targets without a thriving public transport system, one which helps achieve the necessary mode shift away from the private car but also leads the way in terms of how vehicle emissions are reduced over time. Making the bus a more attractive option whilst ensuring that bus services make their appropriate contribution to a reduction in emissions will be a critical part of our future plans.

**35. Ensure active travel proposals provide good links to key interchanges and public transport hubs.** The Active Travel Implementation Plan set out our long term vision for an active travel network across the region. This is already being delivered in stages as funding becomes available and therefore an element of prioritisation is required. We need to align the roll-out of our planned active travel network with the bus network to ensure there are no gaps in provision.

It is important to identify those active travel schemes that feed into the core bus network and to prioritise them for delivery. When considering the infrastructure that is provided at bus stops and key hubs, active travel facilities will be accommodated where possible, such as cycle stands and benches.

Supporting policies to enable whole journeys to be completed sustainably need to be developed and applied – this could include the carriage of cycles and e-scooters on public transport, ensuring that there is space for wheelchairs and buggies and consideration during the planning process for clear and direct walking routes to bus stops.

**36. Consider new types of service as part of the review of tendered services, using electric vehicles.** Community transport services are procured through the tender process as they are deemed to be socially necessary but are not (at present) commercially viable. Therefore, they tend to be operated by smaller operators who struggle to reinvest any surplus revenue into vehicles and therefore do not meet the totality of the specification set out in the service tender agreement.

As the services are operationally using smaller midi vehicles on routes that do not form part of the core network (and are therefore operationally less complex) they are more readily operated using net zero vehicles at the moment, such as overnight charging electric buses. As a reflection of this opportunity to move to an electric vehicle fleet away from the core network, South Yorkshire has submitted an application to the Government's ZEBRA fund as well as identifying committed gainshare funding, to support the immediate conversion of the region's community transport fleet. Gainshare funding has also been identified for an electric bus trial in Doncaster.

**37. Fleet replacement and retrofitting to achieve a net zero fleet.** The Transport Strategy set a target of achieving a net zero public transport network by 2040. The Sheffield City Region Energy Strategy accelerated this aim to a net zero public transport fleet by 2035. As buses



typically have a 15-20 year service life, these targets imply that all new buses should have been zero emission from 2020, assuming those buses spend their entire operational life within the region. It is therefore vital to expedite planning for this transition now, to ensure a transition to zero emission bus operation is planned in a manner that maximises South Yorkshire's opportunity to deliver even ahead of the target dates, given the climate emergency.

There are considerable benefits of converting the existing bus fleet to zero emission buses. Work carried out to support development of this Plan has identified that by switching to zero emissions vehicles, we will negate all pollutant emissions with the exception of particulates that are generated by tyre wear. We will also remove the equivalent of 27,000 cars off the region's roads. The conversion to zero emission vehicles may also have a positive impact on running costs for the network, with possibly significant implications.

The analysis has taken a long term view of how best to convert the South Yorkshire bus fleet to zero emission, looking first at the number of vehicles that would be required under different scenarios. For example, given the current range of batteries and the topography of South Yorkshire, an all-electric bus fleet would require a total of 1,304 vehicles, an increase of 40 over the current total. A 100% hydrogen-powered fleet would not require any more vehicles but it would be significantly more costly to provide the necessary fuel.

The suggested approach for South Yorkshire therefore sees a mix of electric and hydrogen vehicles replacing the current fleet over time, based on this being the most cost effective approach, taking into account the capital and operating expenditure required. This is shown in Figure 33. This shows that the overall additional cost of the preferred mixed fuel scenario, over and above the replacement of the current diesel fleet with the most efficient model at the time, is some £220 million – this is clearly a significant sum to be found.

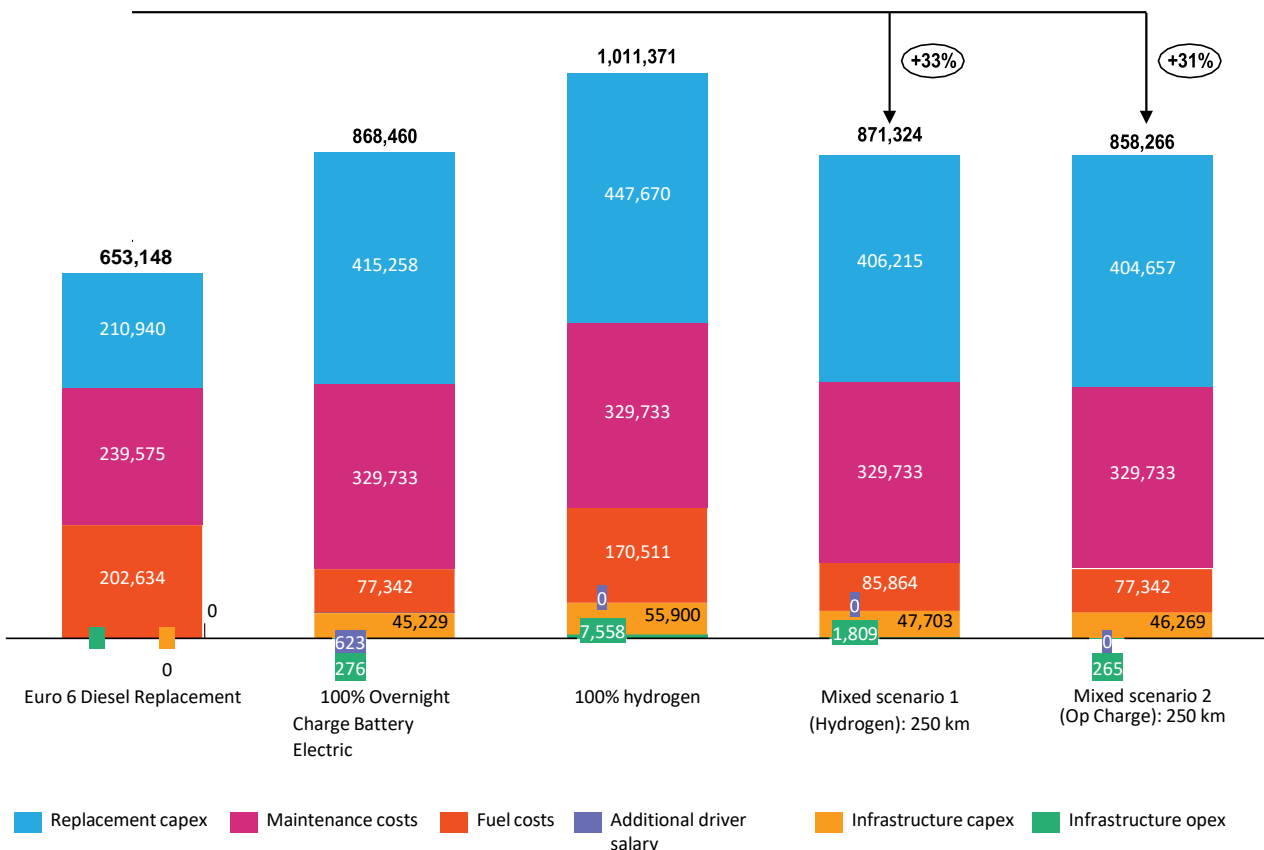


Figure 33 – Relative Total Costs of Delivering a Zero Emission Bus Fleet (£million, 2021 prices)



It should be noted that the analysis done to date provides very high level costings for replacing the South Yorkshire bus fleet with a fully zero emission fleet, based on a number of scenarios and sensitivities. This includes capital and operational costs estimates that, whilst high level, present a reasonable estimate of the potential quantum of cost. Over time, we expect the costs of zero emission vehicles to fall, as the technology matures and becomes common place, as well as when second hand cascade market opens, meaning that the overall quantum of the cost required to achieve a net zero fleet should reduce.

Further analysis has tried to break the initial estimate down a little further to understand where resources can be best deployed at this time, and this is shown in Figure 34.

Figure 34 shows that the additional cost of transition is broken down into three components, and in order to facilitate a transition from diesel buses to zero emission vehicles, our intention is to try and reduce the difference through a support mechanism that considers funding additional infrastructure costs such as charging points, leaving operators to focus solely on bus costs, which are those that are most likely to reduce over time. Prioritising investment in such infrastructure will also have a wider benefit beyond a single bus operator. However, we will continue to examine the economic case for more direct investment as well.

The maximised efficiency model used at present to minimise the number of actual vehicles required proves to be an economic challenge when converting a fleet to zero emission buses. Typical electric bus services have dedicated vehicles (as hybrid buses currently do in Sheffield) due to the short distance range currently available which may not be a problem in the short term but in the longer term, vehicles will need to operate on multiple routes and services. Hydrogen buses are not as limited by range but they are less cost effective, at least in the short and medium term.

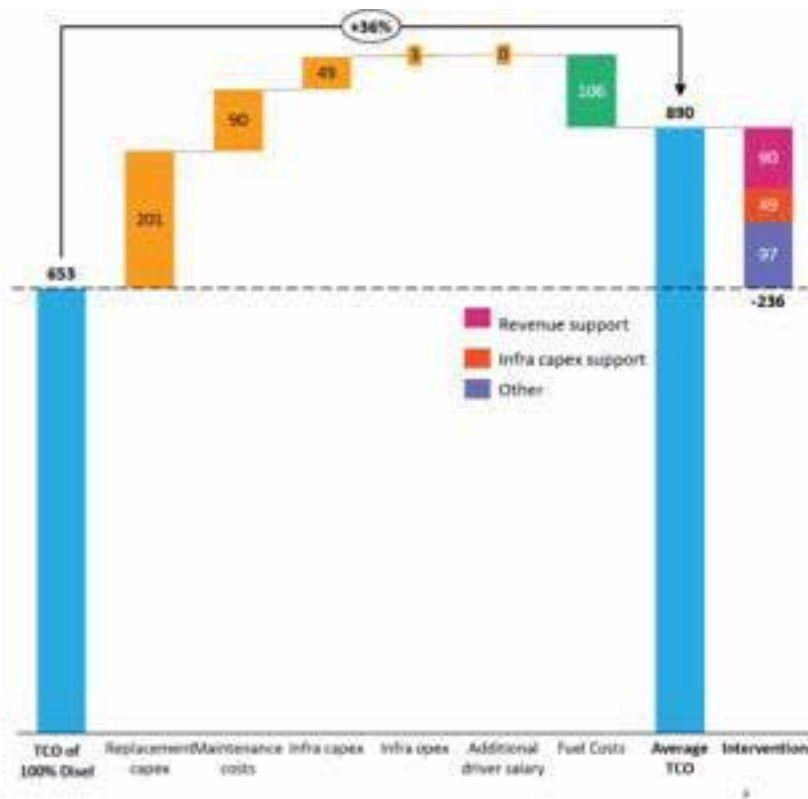


Figure 34 – Zero Emission Bus Fleet Transition Cost Breakeven Analysis (£million, 2021 prices)

We recognise that passenger growth is critical to the introduction of zero emission buses due to the high cost of these vehicles, for example, the cost of a battery electric bus is almost twice the price of a diesel equivalent (although operating costs are significantly less). Ultimately, we will need to grow passenger numbers to support investment in the more expensive zero emission vehicles and operate such a complex bus operation in South Yorkshire. In the absence of more government funding or incentives, only an increase in patronage and therefore revenue, will allow operators to reinvest in the vehicles which will allow us to meet local and national zero emission targets at the rate we need.

As a starting point, the MCA has applied for £6.8 million of DfT ZEBRA funding towards a total project cost of £13.9 million. This will allow the conversion of Stagecoach route 221 which operates between Rotherham and Doncaster and route 22X between Rotherham and Barnsley to electric bus operation, potentially including opportunity charging, if required, at Rotherham Interchange. The funding will also support the introduction of a new electric city centre shuttle service in Sheffield. ZEBRA and similar schemes can support the region's leadership in the adoption of zero emission, supporting inward investment and economic growth, and the work done to date indicates a clear determination to meet our emissions targets.

Retrofitting our diesel fleet with zero emission technology could offer a cost effective way of decarbonising our public transport fleet in the short term. It is understood that capabilities exist within the region to replace a vehicle's diesel internal combustion engine with battery electric technology, at a lower cost than purchasing a new electric bus. Further work is required to investigate the whole life costs involved however, this may offer a cost effective route to zero emission in the short term and kickstart the transition to zero emission operation in the long term.

**38. Review bus park and ride locations and systematically improve the offer.** Park and ride facilities across the region generally receive positive feedback from passengers and operators alike and passengers reported their usefulness in promoting connectivity between modes of transport. They also help to reduce the burden of congestion on major roads by encouraging people to travel into town and city centres by public transport.

However, existing park and ride locations may not reflect the changing travel patterns, and economic growth areas of our region and we know from indicative analysis already completed that passenger numbers are falling at some locations.

Therefore, we will review the locations of our existing park and ride facilities, as well as considering where we could develop new park and ride sites so that we improve the offer to passengers as part of a systematic effort to provide practical alternatives to car use. This will be informed by the continuing route analysis being undertaken, due for completion in November 2021, but established high frequency routes seem a logical starting point.

As well as location, the level of facilities provided will be important too, noting that the recently opened park and ride site at Stourton on the outskirts of Leeds has capacity for 1,200 cars, serviced by high quality, all-electric buses. More importantly, the new site has a number of supporting amenities including electric charging points for vehicles, family and disabled parking bays, waiting facilities, cycle stands, cycle lockers, and mobility scooter lockers. It is the UK's first solar powered park and ride site with solar panels provided on canopies above some of the parking spaces to generate electricity, which will be used to power lighting, electric vehicle charging points, CCTV and heat the waiting room at the site.

We will review the provision of such facilities at existing and new park and ride sites so that not only are we encouraging a greener mode of transport, but that we are also at the forefront of making it happen in practice.

**39. Ensure new and amended infrastructure takes account of urban realm to promote a better street environment.** The MCA's bid to the Levelling Up Fund recognised the need to be more reflective of local communities in our transport infrastructure. We propose to use funding (if successful) to support our commitment to modernise and enhance bus infrastructure so that it reflects the local areas in which they are situated. Research has showed that the condition and standards of infrastructure is amongst the features of the bus system that passengers are least satisfied with, but we need to ensure that new infrastructure is sympathetic to its surroundings and can make a positive impact to the street environment.

**40. Positively change attitudes to the bus and lead by example.** Finally, there is a need to change the conversation about buses and promote them as a core part of our future transport network. Buses are not just for those who have no travel alternative and too often buses are viewed as the mode of last resort. This needs to change if we are to grow patronage and attract new users, particularly those who currently drive or who will turn to the private car as part of the recovery from the COVID-19 pandemic. To positively change attitudes to bus and create a sense that they are a mode for all, we will consider a pro-active campaign alongside the further development of this document and the action plans that arise from it.



## Towards An Enhanced Partnership

Within legislation, an Enhanced Partnership is comprised of an Enhanced Partnership Plan and one or more Enhanced Partnership Schemes. An Enhanced Partnership Scheme (or Schemes) includes more detail on what the parties to the partnership are aiming to provide over a specified period of time in order to deliver elements of the Enhanced Partnership Plan.

Given the time constraints involved in agreeing and implementing an Enhanced Partnership by April 2022, DfT has suggested that LTAs concentrate on an initial Enhanced Partnership Scheme that includes existing LTA and bus operator commitments for investment and infrastructure, and then include additional measures by means of the variation process allowed by the legislation.

This guidance has informed the preparation of an initial Enhanced Partnership Scheme that accompanies this Plan.

In addition, the governing mechanism for the Enhanced Partnership will be reviewed. In line with DfT guidance, this Plan has been developed alongside the MCA's constituent local authorities and the bus operators and has involved other groups that have been able to contribute, such as bus user groups, representatives of disabled people and local business groups. The forum for these discussions has been informal to encourage co-operative working, utilising existing engagement arrangements to aid efficiency and timeliness.

However, the work of this 'forum' now expands to one that considers the development of the Enhanced Partnership, meaning a need to consider more formal arrangements and, potentially, a widened membership. Details of what this will mean in practice are under development, in addition to the consideration of an independent chair. It is recognised that these processes are important because they can, in part, duplicate the outcomes of a public consultation process and reduce the risks of significant objections, a important consideration given the timetable for implementing the Enhanced Partnership.

The new governance arrangements for the Enhanced Partnership will also make sure that organisations representative of local bus users will be involved in the monitoring and evaluation of the Plan and the first Enhanced Partnership Scheme, as well as any variation to the latter. This will include ensuring that all parties, including bus operators, deliver on their commitments within the Enhanced Partnership.

## Competition Issues

Making or varying an Enhanced Partnership is subject to the test in Part 1 of Schedule 10 to the Transport Act 2000, predominantly whether there is likely to be a significantly adverse effect on competition as a result of the proposals.

The Enhanced Partnership Plan has been developed in conjunction with all bus operators, is intended to apply across the whole of the South Yorkshire bus network and does not propose any activity that would ordinarily impose any unnecessary restrictions on the deregulated bus market. The Competition Test set out in Part 1 of Schedule 10 to the Transport Act 2000 has been applied and it is concluded that, at this point, there will be no significantly adverse effect on competition arising from the proposed Enhanced Partnership Plan and Enhanced Partnership Scheme.

## Small and Medium Sized Operators

As set out previously, there are 11 operators of bus services in South Yorkshire at present and a number of these are considered to be a “small and medium sized” operator (SMO), defined as having less than 250 employees. Legislation requires an LTA to conduct a thorough assessment of the SMOs within their area, to discuss any issues with such operators at an early stage of developing any proposals and, where necessary, make adjustments such that they are not disadvantaged.

The Enhanced Partnership Plan has been developed in conjunction with all operators through a series of regular meetings and specific briefings have been held with SMO representatives to discuss the vision and objectives and the proposed activities. The activities themselves are designed to be delivered over a time period which allows operators of all sizes to make the necessary investments in new technology and zero emission vehicles that suit their own investment plans and should therefore not attract a considerable administrative burden or require a large financial outlay.

Where the MCA wishes to see a faster pace of delivery, specific funding bids have been, and will be, made to assist SMOs with this transition; for example, bids for transformational bus funding to provide on-street electric charging infrastructure for all vehicles (not just the large operators’ bus fleet), as well as a Levelling Up Fund bid to allow the conversion of all remaining ticket machines to accept cashless transactions.

On this basis, the assessment undertaken does not indicate that the proposals within this Plan will have a disproportionately adverse impact on SMOs.

## Future Delivery Models

The Enhanced Partnership was agreed by the MCA as the most appropriate means of delivering the initial set of activities contained within this Enhanced Partnership Plan as well as enabling access to future funding. The intention is for the Enhanced Partnership to be in operation for a five year period from April 2022, matching the multi-year funding allocation through the CRSTS, albeit noting that there is a requirement to refresh the BSIP on an annual basis, and hence this Plan as required.

However, it is not the only delivery model available to the Mayor and the MCA for all of the prioritised activities contained within this Enhanced Partnership Plan. The prioritised activities within this document will also be used to undertake an initial assessment of the legal, financial and technical aspects of a number of future delivery models, including franchising, so that a clear preference can be identified as to the most appropriate mechanism to secure the required improvements beyond the proposed Enhanced Partnership.

The aim is to complete this initial assessment alongside the preparation of the Enhanced Partnership so that the MCA has a full understanding of what can, and should, be delivered in the early years of the Enhanced Partnership, within the current legislation, and also whether a more detailed examination of other delivery models is required to ensure that the scale and pace of change that is required, can be achieved.





# Appendices

## Appendix A Derivation of Prioritised Activities



**DERIVATION OF PRIORITISED ACTIVITIES**

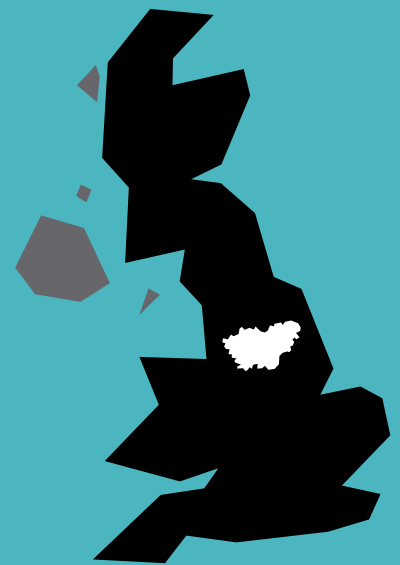
| SEP Objective<br>(Headline and Transport-specific)                                     | CRSTS Objective and Activity   | Bus Service Improvement Plan  |  |   | Transport Strategy Success Criteria   |
|--|--|---|--|---|---|
|  |  | Vision  | Prioritised Activities   | Headline Outputs  |   |
| Stronger – incentivise public transport usage which will support economic productivity | Growing the economy through better connectivity – improve public transport connections to economic growth areas and increase job opportunities for communities with higher levels of deprivation                     | <ul style="list-style-type: none"> <li>Providing a reliable and attractive alternative to the car</li> </ul>                | <ol style="list-style-type: none"> <li><b>Standardise and extend hours of operation of existing bus lanes</b></li> <li><b>Improve pinch-point junctions at identified locations of greatest delay</b></li> <li>Major junction improvements on the KRN to include bus priority measures as a core design requirement</li> <li>Develop a pipeline of bus priority improvements across the KRN</li> </ol>   | <ul style="list-style-type: none"> <li>More frequent and reliable services</li> <li>Improvements to planning/integration with other modes</li> <li>Higher specification buses</li> <li>Strong network identity</li> <li>Complementary policy positions</li> </ul>       | <ul style="list-style-type: none"> <li>Increase productivity through reducing delays on our transport network</li> <li>Increase the number of economically active people living within 30 minutes of key employment locations and universities by public transport</li> </ul> |
|  |  | <ul style="list-style-type: none"> <li>Supporting inclusive and sustainable economic growth</li> </ul>                      | <ol style="list-style-type: none"> <li><b>Review and strengthen access to the bus system and explore new types of DRT bus services away from the core routes</b></li> <li>“Turn up and go” frequencies across the KRN with additional services at evenings and weekends</li> <li>Secure additional vehicles to operate additional mileage/uplifted frequencies/extended hours of service</li> <li>Make best use of existing assets</li> <li>Ensure that ticket prices are more competitive with other modes and parking charges in urban centres</li> <li>Ensure planning policies encourage bus use, particularly for new developments</li> </ol> |   |   |
|  |  | <ul style="list-style-type: none"> <li>Using technology and data to improve connectivity, quality and resilience</li> </ul> | <ol style="list-style-type: none"> <li><b>More effective data use and improved data sharing between authorities and operators</b></li> <li><b>Network-wide traffic management and bus detection</b></li> </ol>   |   |   |
| Fairer – improve passenger journey experience, making public transport more accessible | Levelling up our public transport – invest in the standards of our public transport system to unlock opportunities, drive patronage growth and strengthen the role of public transport in supporting economic growth | <ul style="list-style-type: none"> <li>Meeting the customers' fundamental transport needs</li> </ul>                        | <ol style="list-style-type: none"> <li><b>Implement a consistent standard across whole journey experience and all operators</b></li> <li><b>New Customer Charter to reflect new quality standards and a consistently high level of service</b></li> <li><b>Establish on-street standards to include bus stops</b></li> <li><b>Agreed operator standards on fleet quality, presentation and cleanliness</b></li> <li><b>Ensure staff are well trained and motivated to offer top customer service</b></li> <li><b>Renew safety and security efforts across the network to promote a feeling of personal safety</b></li> </ol>                       | <ul style="list-style-type: none"> <li>Improvements to planning/integration with other modes</li> <li>Improvements to fares and ticketing</li> <li>Higher specification buses</li> <li>Improvements to passenger engagement</li> <li>Strong network identity</li> </ul> | <ul style="list-style-type: none"> <li>Increase bus trips by 18%</li> <li>Achieve 95% public opinion that our local transport choices feel safe</li> </ul>  |

| SEP Objective<br>(Headline and<br>Transport-specific)                         | CRSTS Objective<br>and Activity   | Bus Service Improvement Plan   |   |   | Transport Strategy<br>Success Criteria  |
|---|---|--|---|---|---|
|   |   | <i>Vision</i>  | <i>Prioritised Activities</i>   | <i>Headline Outputs</i>   |   |
|   |   |  | <p><b>19. Major service changes to be limited to twice per year</b></p> <p><b>20. Wider passenger representation</b></p> <p>21. Develop a common complaints procedure</p> <p>22. Booked assistance system and availability/resource at bus interchanges and interchange hubs</p> <p>23. Develop interchange cleanliness standards</p> <p>24. Introduce a last bus promise and consider refund dissatisfaction guarantee</p>   |   |   |
|   |   | <ul style="list-style-type: none"> <li>Offering value for money</li> </ul>                           | <p><b>25. Price rises limited to once a year</b></p> <p><b>26. Review the removal of some single operator products</b></p> <p><b>27. Develop a consistent offer for under 21s, free travel for under 18's and additional concessions/discounts for target segments</b></p> <p>28. Develop day and week price capping to guarantee best value</p> <p>29. Employer engagement and ticket discounts offered to incentivise bus use</p>   |   |   |
|   |   | <ul style="list-style-type: none"> <li>Being accessible, integrated, simple and efficient</li> </ul> | <p><b>30. Implement consistent use of 'South Yorkshire' brand across the network</b></p> <p><b>31. Increase the availability of off-bus retail outlets</b></p> <p>32. Enable one single source of information to plan journeys</p> <p>33. Develop simple high frequency networks that enable easy integration with other modes</p> <p>34. Roll out additional AV equipment on vehicles to improve consistency of information</p>  |   |   |
| Greener – increase the number of zero emission buses on our transport network | Accelerating the decarbonisation of our transport system – offer greater modal choice over private vehicles and invest in the transition to a zero carbon bus fleet | <ul style="list-style-type: none"> <li>Leading to a net zero system</li> </ul>                       | <p><b>35. Ensure active travel proposals provide good links to key interchanges and public transport hubs</b></p> <p><b>36. Consider new types of service as part of review of tendered services, using electric vehicles</b></p> <p><b>37. Fleet replacement and retrofitting to achieve a net zero fleet</b></p> <p>38. Review bus park and ride locations and systematically improve the offer</p> <p>39. Ensure new and amended infrastructure takes account of urban realm to promote a better street environment</p> <p>40. Positively change attitudes towards the bus and lead by example</p> | <ul style="list-style-type: none"> <li>More frequent and reliable services</li> <li>Improvements to planning/integration with other modes</li> <li>Higher specification buses</li> <li>Invest in decarbonisation</li> <li>Complementary policy positions</li> </ul> | <ul style="list-style-type: none"> <li>Have a zero carbon public transport network by 2040</li> <li>Eliminate AQMAs in our city region</li> </ul> |

Note: Activities in **bold type** are those considered to be most appropriate for delivery through the initial Enhanced Partnership Scheme



South Yorkshire Mayoral Combined Authority  
11 Broad Street West, Sheffield,  
United Kingdom  
S1 2BQ  
+44 (0)114 220 3400  
[enquiries@southyorkshire-ca.gov.uk](mailto:enquiries@southyorkshire-ca.gov.uk)  
[southyorkshire-ca.gov.uk](http://southyorkshire-ca.gov.uk)  
Publication Date: November 2021



[southyorkshire-ca.gov.uk](http://southyorkshire-ca.gov.uk)



This page is intentionally left blank

## SOUTH YORKSHIRE ENHANCED PARTNERSHIP SCHEME COMPONENTS

| Enhanced Partnership Plan<br>Headline Output | Components of the Enhanced Partnership Scheme   |                                |  |                                |   |                                |
|--|---|--------------------------------|--|--------------------------------|---|--------------------------------|
|  | <i>Facilities provided by SYMCA/Local Highway Authorities<br/><br/>(new physical assets or changes to them provided at specific locations)</i>  | <i>Delivered no later than</i> | <i>Measures provided by SYMCA/Local Highway Authorities<br/><br/>(anything within MCA powers to increase local service use, stop decline or improve quality)</i> | <i>Delivered no later than</i> | <i>Operation and/or Route Requirements placed on operators of Local Qualifying Bus Services</i>   | <i>Delivered no later than</i> |
| 1. More frequent and reliable services       | <ul style="list-style-type: none"> <li>A61 bus priority road widening scheme at two key locations along the A61 Corridor in Barnsley between Carlton Road and the Old Mill Lane Gyratory (SYPTTE/SYMCA and Barnsley MBC jointly delivering the project and Barnsley MBC providing TRO as required)</li> <li>A630 bus scheme is a project to upgrade in traffic signal technology along the A630 Balby Road Corridor in Doncaster to improve bus journey time, reliability and punctuality (SYPTTE/SYMCA scheme promoter, Doncaster BC delivering the project and providing TRO as required)</li> <li>Building of a new bridge and highway link between West End Lane in New Rossington</li> </ul> | 30/09/23                       | <ul style="list-style-type: none"> <li>Introduce pilot DRT service in at least one area (SYPTTE/SYMCA)</li> </ul>  | 31/03/23                       | <ul style="list-style-type: none"> <li>Review existing Voluntary Partnership Agreements and retain or enhance existing operational requirements as part of Scheme commitments. (Such scheme commitments to be expressly set out in the Scheme to be approved by the MCA in March 2022)</li> </ul> | 01/04/22                       |

| Enhanced Partnership Plan<br>Headline Output               | Components of the Enhanced Partnership Scheme  |                                |  |                                |  |                                |
|--|--|--------------------------------|--|--------------------------------|--|--------------------------------|
|  | <i>Facilities provided by SYMCA/Local Highway Authorities<br/><br/>(new physical assets or changes to them provided at specific locations)</i>   | <i>Delivered no later than</i> | <i>Measures provided by SYMCA/Local Highway Authorities<br/><br/>(anything within MCA powers to increase local service use, stop decline or improve quality)</i>   | <i>Delivered no later than</i> | <i>Operation and/or Route Requirements placed on operators of Local Qualifying Bus Services</i>  | <i>Delivered no later than</i> |
|  | <p>and iPort Avenue – the scheme would facilitate up to 8 buses per hour (55/56 bus service) being routed through the iPort via a bus gate along a camera enforced bus lane (SYPTTE/SYMCA scheme promoter, Doncaster BC delivering the project and providing TRO as required)</p> <ul style="list-style-type: none"> <li>Improving bus service punctuality in Barnsley through traffic management in seven priority areas (SYPTTE/SYMCA scheme promoter, Barnsley MBC delivering the project and providing TRO as required)</li> </ul> | 31/03/23                       |  |                                |  |                                |
| 2. Improvements to planning / integration with other modes | <ul style="list-style-type: none"> <li>Minimum of 240 new real time information displays provided (broadly 20% each in Barnsley, Doncaster and Rotherham, and 40% in Sheffield, based on stop usage and ‘gaps’ in provision)</li> </ul>  | 31/03/23                       | <ul style="list-style-type: none"> <li>Sheffield City Council to ensure all parties have access to the UTMC system in order to deliver better real-time network information to operators and customers (Sheffield CC)</li> </ul> | 31/03/23                       | <ul style="list-style-type: none"> <li>Ensure that real-time location data is provided to Sheffield City Council for use in the UTMC system to improve reliability and customer information</li> </ul> | 31/03/23                       |

| Enhanced Partnership Plan<br>Headline Output                                      | Components of the Enhanced Partnership Scheme  |                                |  |  |   |  |
|---|--|--------------------------------|--|--|---|--|
|   | <i>Facilities provided by SYMCA/Local Highway Authorities<br/><br/>(new physical assets or changes to them provided at specific locations)</i> | <i>Delivered no later than</i> | <i>Measures provided by SYMCA/Local Highway Authorities<br/><br/>(anything within MCA powers to increase local service use, stop decline or improve quality)</i>   | <i>Delivered no later than</i>           | <i>Operation and/or Route Requirements placed on operators of Local Qualifying Bus Services</i>   | <i>Delivered no later than</i>   |
|   | (SYPTTE/SYMCA delivering the project)  |                                | <ul style="list-style-type: none"> <li>Develop one integrated source of information to plan journeys and promote the agreed source (SYPTTE/SYMCA)</li> </ul>   | 31/03/23                                 | <ul style="list-style-type: none"> <li>Support the development of one integrated source of information to plan journeys and promote the agreed source</li> </ul>  | 31/03/23   |
| 3. Improvements to fares and ticketing including Multi-Operator Ticketing Schemes |  |                                | <ul style="list-style-type: none"> <li>Introduce short term discounts for selected customer segments (current possibilities include U18s), subject to funding from BSIP being confirmed (SYPTTE/SYMCA)</li> <li>Introduce a cap on daily and weekly fares utilising the existing Multi-Operator Ticketing Scheme (TravelMaster), subject to funding from BSIP being confirmed (SYPTTE/SYMCA)</li> <li>Introduce a 'tap and cap' system across the network, subject to the necessary technological solution being provided by the Department</li> </ul> | 30/09/22<br><br>31/03/23<br><br>31/03/23 | <ul style="list-style-type: none"> <li>Convert remaining on-bus electronic payment machines to contactless</li> <li>Review the removal of single operator products in most localised areas</li> <li>Review premium levels on multi-operator ticket products</li> <li>Implement short term discounts for selected customer segments (current possibilities include U18s), subject to funding from BSIP being confirmed</li> <li>Implement a cap on daily and weekly fares utilising</li> </ul> | 31/03/23<br><br>30/09/22<br><br>30/09/22<br><br>31/03/23<br><br>31/03/23 |



| Enhanced Partnership Plan<br>Headline Output | Components of the Enhanced Partnership Scheme  |                                |  |   |  |                                |
|--|--|--------------------------------|--|---|--|--------------------------------|
|  | <i>Facilities provided by SYMCA/Local Highway Authorities<br/><br/>(new physical assets or changes to them provided at specific locations)</i> | <i>Delivered no later than</i> | <i>Measures provided by SYMCA/Local Highway Authorities<br/><br/>(anything within MCA powers to increase local service use, stop decline or improve quality)</i>   | <i>Delivered no later than</i>              | <i>Operation and/or Route Requirements placed on operators of Local Qualifying Bus Services</i>  | <i>Delivered no later than</i> |
|  |  |                                | for Transport (DfT) (SYPTe/SYMCA)  |   | the existing Multi-Operator Ticketing Scheme (TravelMaster), subject to funding from BSIP being confirmed<br><br><ul style="list-style-type: none"> <li>Implement a 'tap and cap' system across the network, subject to the necessary technological solution being provided by the Department for Transport</li> <li>Price rises limited to once a year</li> </ul> | 31/03/23<br><br>30/09/22       |
| 4. Higher specification buses                |  |                                | <ul style="list-style-type: none"> <li>Procurement of up to 27 electric buses and provision of charging infrastructure at interchanges, on-street and at depots, subject to successful award of ZEBRA funding by the DfT (SYPTe/SYMCA)</li> <li>Upgrade part of the South Yorkshire community</li> </ul> | TBC following funding award<br><br>31/03/23 | <ul style="list-style-type: none"> <li>Retain standards within existing Voluntary Partnership Agreements and include within new standard to be agreed</li> </ul>   | 30/09/22                       |

| Enhanced Partnership Plan<br>Headline Output | Components of the Enhanced Partnership Scheme  |                                |  |                                |   |                                |
|--|--|--------------------------------|--|--------------------------------|---|--------------------------------|
|  | <i>Facilities provided by SYMCA/Local Highway Authorities<br/><br/>(new physical assets or changes to them provided at specific locations)</i>   | <i>Delivered no later than</i> | <i>Measures provided by SYMCA/Local Highway Authorities<br/><br/>(anything within MCA powers to increase local service use, stop decline or improve quality)</i>   | <i>Delivered no later than</i> | <i>Operation and/or Route Requirements placed on operators of Local Qualifying Bus Services</i>   | <i>Delivered no later than</i> |
|  |  |                                | transport fleet to electric vehicles, with charging facilities at selected depots (SYPT/SYMCA) <ul style="list-style-type: none"> <li>Electric bus trial in Doncaster (Doncaster BC)</li> </ul>  | 31/03/23                       |   |                                |
| 5. Improvements to passenger engagement      |  |                                | <ul style="list-style-type: none"> <li>Implement an agreed new Customer Charter to apply across the whole network (SYPT/SYMCA)</li> <li>Develop new forum for passenger representation, to include bus user groups, representatives of disabled people and local business groups (SYPT/SYMCA)</li> </ul> | 30/06/22<br><br>30/06/22       | <ul style="list-style-type: none"> <li>Implement an agreed new Customer Charter to apply across the whole network</li> <li>Service changes to be limited to twice per year</li> </ul> | 30/06/22<br><br>30/09/22       |
| 6. Strong network identity                   | <ul style="list-style-type: none"> <li>Installation of at least 140 new shelters (broadly 20% each in Barnsley, Doncaster and Rotherham, and 40% in Sheffield), based on stop usage and state of dilapidation) (SYPT/SYMCA delivering the</li> </ul> | 31/03/23                       | <ul style="list-style-type: none"> <li>Extend the “Safe Places” scheme to cover the whole network (SYPT/SYMCA)</li> <li>Implementation of a common branding across South</li> </ul>  | 31/03/23<br><br>31/03/23       | <ul style="list-style-type: none"> <li>Implement the “Safe Places” scheme on-board buses</li> <li>Support the implementation of a common branding across</li> </ul>                   | 31/03/23<br><br>31/03/23       |

| Enhanced Partnership Plan<br>Headline Output | Components of the Enhanced Partnership Scheme  |                                |  |                                |   |                                |
|--|--|--------------------------------|--|--------------------------------|---|--------------------------------|
|  | <i>Facilities provided by SYMCA/Local Highway Authorities<br/><br/>(new physical assets or changes to them provided at specific locations)</i> | <i>Delivered no later than</i> | <i>Measures provided by SYMCA/Local Highway Authorities<br/><br/>(anything within MCA powers to increase local service use, stop decline or improve quality)</i> | <i>Delivered no later than</i> | <i>Operation and/or Route Requirements placed on operators of Local Qualifying Bus Services</i> | <i>Delivered no later than</i> |
|  | project and Local Highway Authorities providing TRO as required)   |                                | Yorkshire transport network (SYPTA/SYMCA)  |                                | South Yorkshire transport network   |                                |

**South Yorkshire Mayoral Combined Authority**  
**[South Yorkshire Passenger Transport Executive]**  
**Barnsley Metropolitan Borough Council**  
**Doncaster Borough Council**  
**Rotherham Metropolitan Borough Council**  
**Sheffield City Council**

**South Yorkshire Enhanced Partnership Scheme for Buses**

**1<sup>st</sup> April 2022**

# CONTENTS

|   |           |
|---|-----------|
| <b>Organisations Making the Enhanced Partnership Scheme .....</b>       | <b>3</b>  |
| <b>Definitions used in the document.....</b>                            | <b>4</b>  |
| <b>1. Introduction .....</b>  | <b>6</b>  |
| <b>2. Scope of the EP Scheme.....</b>                                   | <b>7</b>  |
| <i>Figure 1 Map of the EP Plan and EP Scheme.....</i>                   | <i>8</i>  |
| <b>3. Requirements of the Authorities .....</b>                         | <b>9</b>  |
| <b>4. Requirements in respect of Local Qualifying Bus Services.....</b> | <b>10</b> |
| <b>5. EP Scheme Management .....</b>                                    | <b>11</b> |
| <b>6. Competition .....</b>   | <b>13</b> |
| <b>Signatory page .....</b>   | <b>14</b> |

## **Organisations Making the Enhanced Partnership Scheme**

**THE SOUTH YORKSHIRE ENHANCED PARTNERSHIP SCHEME FOR BUSES IS MADE IN ACCORDANCE WITH SECTION 138G (1) OF THE TRANSPORT ACT 2000 BY:**

- (1) SOUTH YORKSHIRE MAYORAL COMBINED AUTHORITY (SYMCA) of 11, BROAD STREET WEST, SHEFFIELD S1 2BQ;**
- (2) [SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE (SYPTTE) of 11, BROAD STREET WEST, SHEFFIELD S1 2BQ];**
- (3) BARNSELY METROPOLITAN BOROUGH COUNCIL OF TOWN HALL, CHURCH STREET, BARNSELY S70 2TA;**
- (4) DONCASTER BOROUGH COUNCIL OF CIVIC OFFICE, WATERDALE, DONCASTER DN1 3BU;**
- (5) ROTHERHAM METROPOLITAN BOROUGH COUNCIL OF RIVERSIDE HOUSE, MAIN STREET, DONCASTER ROAD, ROTHERHAM S60 1AE;**
- (6) SHEFFIELD CITY COUNCIL of TOWN HALL, PINSTONE STREET, SHEFFIELD S1 2HH.**

## Definitions Used in the Document

**Authorities** – the parties to this Scheme.

**Bus Franchising Area** – an area in which a statutory franchising scheme operates, as prescribed in the Transport Act 2000, as amended by the Bus Services Act 2017 (Section 123A).

**EP Scheme Area** – means the area to which this EP Scheme document applies, namely the geographical area of South Yorkshire, that includes the four local authority areas of Barnsley, Doncaster, Rotherham and Sheffield.

**Facilities** – means the physical assets (or changes to them) that are provided at specific locations along particular routes (or parts of routes) within the EP Scheme Area including new and improved bus priority measures in accordance with Section 138D(1) of the Transport Act 2000.

**Local Authorities** – as prescribed under Section 23 of the Local Government Act 2003.

**Local Highway Authorities** – this means either Sheffield City Council (Sheffield CC), Doncaster Borough Council (Doncaster BC), Barnsley Metropolitan Borough Council (Barnsley MBC) or Rotherham Metropolitan Borough Council (Rotherham MBC).

**Local Service(s)** – means a ‘local service’ as defined in Section 2 of the Transport Act 1985.

**Local Qualifying Bus Services** – means those Registered Local Bus Services operating within the EP Scheme Area with one or more stopping place in the EP Scheme Area that must meet the requirements and obligations set out in this EP Scheme document.

**Measures** – means the measures taken with the purpose of:

- increasing the use of local bus services serving the routes to which the measures relate or ending or reducing a decline in their use; or
- improving the quality of local bus services serving the routes to which those measures relate in accordance with Section 138D(2) of the Transport Act 2000.

**Registered Local Bus Service** – means a ‘local service’ as defined in Section 2 of the Transport Act 1985 which is registered in accordance with Section 6 of that Act.

**South Yorkshire Bus Partnership Board** – established in 2021, this is an alliance of bus operators, Authorities, and other partners that have agreed to work together to deliver high levels of passenger satisfaction and drive forward investment in bus services.

**South Yorkshire Enhanced Partnership Plan** – means the document made pursuant to Section 138A of the Transport Act 2000 and which is required to be in place for an EP Scheme to be made.



**SYMCA** – means the South Yorkshire Mayoral Combined Authority with responsibility for transport for South Yorkshire.

**[SYPTTE** – means the South Yorkshire Passenger Transport Executive with responsibility for delivery and implementation of some or all of the Facilities and/or Measures until such time as SYMCA takes over or assumes the statutory powers, functions and responsibilities of SYPTTE relevant to delivery of those Facilities and/or Measures].

**TRO** – means a Traffic Regulation Order, made under the Road Traffic Regulation Act 1984 or any other enactment regulating the use of roads or other places.

# 1. Introduction

- 1.1 This document fulfils the statutory requirements set out in the Transport Act 2000 as amended by the Bus Services Act 2017 for an Enhanced Partnership (EP) Scheme. In accordance with statutory requirements in Section 138A to S of the Transport Act 2000, this EP Scheme document sets out:
- Area covered (Section 2)
  - Commencement date and period of operation (Section 2)
  - Requirements of the Authorities (Section 3)
  - Requirements imposed on Local Qualifying Bus Services (Section 4)
  - EP Scheme Management including details for varying, reviewing and revoking the operation of the EP Scheme (Section 5)
  - Competition considerations (Section 6).
- 1.2 The EP Scheme can only be put in place if an associated Enhanced Partnership Plan has been made. Therefore, this document should be considered alongside the South Yorkshire Enhanced Partnership (EP) Plan. SYMCA is satisfied that this EP Scheme will contribute to the implementation of policies set out in the EP Plan and its local transport policies.
- 1.3 The EP Scheme has been jointly developed by SYMCA, [SYPTTE], local highway authorities and operators that provide Local Qualifying Bus Services in the EP Scheme Area. The EP Scheme aims to support improvements to bus services across South Yorkshire. It sets out obligations and requirements on SYMCA, local highway authorities and operators of Local Qualifying Bus Services in order to achieve the intended improvements, with the aim of passengers benefitting from attractive and convenient bus services. SYMCA is satisfied that the EP Scheme will (a) bring benefits to persons using local services in the whole or any part of the EP Scheme Area by improving the quality or effectiveness of those services, or (b) reduce or limit traffic congestion, noise or air pollution.
- 1.4 The EP Scheme aims to contribute towards meeting the vision and objectives set out in the EP Plan.

## **2. Scope of the EP Scheme**

- 2.1 The EP Scheme will support improvement of local services operating in South Yorkshire.
- 2.2 [A map of the EP Plan and EP Scheme Area will be added in Figure 1.]
- 2.3 The EP Scheme start date will be 70 days after it has been made, with subsequent milestone dates by which certain Facilities and Measures (Section 3) and requirements of bus operators in respect of Local Qualifying Bus Services will be introduced (Section 4) (see Table in the Appendix for these dates). The EP Scheme will be in place for a minimum of 3 years and a maximum of 5 years and will be subject to a review by SYMCA at least annually in accord with the review of the EP Plan (Section 5).
- 2.4 Registered Local Bus Services with one or more stopping places within the EP Scheme Area are classed as 'Local Qualifying Bus Services', except those with locally-agreed exemptions, as set out below:
- Services operating across the EP Scheme Area boundary with minority mileage within, or express services specifically for commuters from outside the boundary into the EP Scheme Area;
  - Third party funded services where such funding is a substantial or sole source of funding, excluding fare box/BSOG/concessions revenue.

*Figure 1 Map of the EP Plan and EP Scheme Area*

### **3. Requirements of the Authorities**

#### **Facilities and Measures**

The Authority named in columns 1 and 2 of the table in the Appendix will provide the Facilities and Measures detailed by the dates indicated.

#### **4. Requirements in Respect of Local Qualifying Bus Services**

Operators of Local Qualifying Bus Services will meet the requirements set out in column 3 of the table in the Appendix by the date indicated.

## 5. EP Scheme Management

### Governance

- 5.1 The EP Scheme has been developed through partnership meetings held between operators of Local Qualifying Bus Services and the Authorities and a number of interested stakeholders, comprising:
- Bus user groups
  - Representatives of disabled people
  - Local business groups
  - South Yorkshire Local Enterprise Partnership
  - Confederation of Passenger Transport
  - South Yorkshire Bus Review Commissioners
  - Neighbouring Local Authorities.
- 5.2 In advance of the making of the EP Scheme, a SYMCA Bus Partnership Board will be set up, drawing on the representatives involved to date, to oversee work on the delivery of the EP Plan and EP Scheme
- 5.3 The SYMCA Bus Partnership Board will be responsible for considering future variations, in accordance with the processes detailed in Sections 5.4 to 5.8.

### Variations to the EP Scheme

- 5.4 Consideration will be given to potential EP Scheme variations highlighted either by one of the organisations represented on the South Yorkshire Bus Partnership Board or an operator of Local Qualifying Bus Services. The proposer of a variation should demonstrate how this might contribute to achieving the objectives set out in the EP Plan and current local transport policies. Such requests should be set out in writing and submitted to [EPSchemeVariations@southyorkshire-ca.gov.uk](mailto:EPSchemeVariations@southyorkshire-ca.gov.uk).
- 5.5 On receipt of a valid request for a variation, SYMCA will reconvene the South Yorkshire Bus Partnership Board, giving at least 14 days' notice for the meeting, to consider the proposed variation. If the proposed variation is agreed by all bus operator and local highway authority and SYMCA representatives present, SYMCA will make the EP Scheme variation, subject to the approval of the relevant local highway authorities and SYMCA. Partners not represented at the meeting will be deemed to be abstaining from the decision.
- 5.6 If there is not full agreement of all partners present, then the proposed variation will be put to the operator objection mechanism, but with a reduced objection period of 14 days replacing Part 2 of the Transport Act 2000 Section 138L(2)(c). The proposed variation will be advertised on the SYMCA website and emailed to operators of Local Qualifying Bus Services in the EP Scheme Area. If the proposed variation passes the operator objection mechanism, SYMCA will make the EP Scheme variation, subject to the approval of the relevant local highway authorities and SYMCA.



- 5.7 In accordance with section 138E of the Transport Act 2000 the procedure set out in this section 4 shall apply in place of the provisions of Section 138L to N of the Transport Act 2000.
- 5.8 Changes to or new flexibility provisions under Section 138E of the Transport Act 2000 shall only be included in the EP Scheme if they satisfy the statutory objection mechanism as set out in The Enhanced Partnership Plans and Schemes (Objections) Regulations 2017.

### **Review of the EP Scheme**

- 5.9 Once the EP Scheme is made, it will be reviewed by the South Yorkshire Bus Partnership Board at least annually, in accord with the review of the EP Plan, commencing no later than on the anniversary of the scheme commencement date. SYMCA will initiate each review and it will take no longer than 6 months to complete.
- 5.10 Should Traffic Regulation Orders (TRO) required for the Facilities listed in the Appendix not be made, the Authorities and operators of Local Qualifying Bus Services will recognise the need to vary the EP Scheme through the variation process set out in Sections 5.4 to 5.8. Any such necessary changes will be considered as part of the first annual review.

### **Revocation of the EP Scheme**

- 5.11 An EP Scheme can only exist if an EP Plan is in place. If, for any reason, the EP Plan is revoked, it would automatically mean that the EP Scheme would cease. Equally, if all EP Schemes ceased, the EP Plan would be revoked.
- 5.12 If, for some reason, it becomes necessary for the EP Scheme to be revoked, the South Yorkshire Bus Partnership Board will be reconvened and follow the same process as outlined in Sections 5.4 to 5.8 (noting that the agreement will be for revocation and not variation).
- 5.13 If at any point in the future the EP Scheme Area is included in a Bus Franchising Area, the relevant requirements set out in this EP Scheme will cease to apply from the commencement date of the franchising scheme.

## **6. Competition**

- 6.1 The EP Plan and the EP Scheme have been developed in conjunction with all bus operators, is intended to apply across the whole of the South Yorkshire bus network and does not propose any activity that would ordinarily impose any necessary restrictions on the deregulated bus market. The Competition Test set out in Part 1 of Schedule 10 to the Transport Act 2000 has been applied and it is concluded that, at this point, there will be no significantly adverse effect on competition arising from the EP Plan or the EP Scheme.

## Signatory Page

Signed for and on behalf of:

- (1) THE SOUTH YORKSHIRE MAYORAL COMBINED AUTHORITY  
(SYMCA/[SYPT]) of 11, BROAD STREET WEST, SHEFFIELD S1 2BQ**

PRINT NAME \_\_\_\_\_

SIGNATURE \_\_\_\_\_

- (2) BARNSELY METROPOLITAN BOROUGH COUNCIL OF TOWN HALL,  
CHURCH STREET, BARNSELY S70 2TA;**

PRINT NAME \_\_\_\_\_

SIGNATURE \_\_\_\_\_

- (3) DONCASTER BOROUGH COUNCIL OF CIVIC OFFICE, WATERDALE,  
DONCASTER DN1 3BU**

PRINT NAME \_\_\_\_\_

SIGNATURE \_\_\_\_\_

- (4) ROTHERHAM METROPOLITAN BOROUGH COUNCIL OF RIVERSIDE  
HOUSE, MAIN STREET, DONCASTER ROAD, ROTHERHAM S60 1AE.**

PRINT NAME \_\_\_\_\_

SIGNATURE \_\_\_\_\_

- (5) SHEFFIELD CITY COUNCIL OF TOWN HALL, PINSTONE STREET,  
SHEFFIELD S1 2HH**

PRINT NAME \_\_\_\_\_

SIGNATURE \_\_\_\_\_



## Mayoral Combined Authority Board

15 November 2021

### 2021/22 Budget Revision 2

|   |                      |
|---|----------------------|
| <b>Is the paper exempt from the press and public?</b> | No                   |
| <b>Purpose of this report:</b>                        | Monitoring/Assurance |
| <b>Funding Stream:</b>                                | Not applicable       |
| <b>Is this a Key Decision?</b>                        | Yes                  |
| <b>Has it been included on the Forward Plan?</b>      | Yes                  |

#### **Director Approving Submission of the Report:**

Gareth Sutton, Chief Finance Officer/s73 Officer

#### **Report Author(s):**

Gareth Sutton  
Gareth.sutton@southyorkshire-ca.gov.uk

#### **Executive Summary**

This report provides revised Group budget forecasts to the end of the financial year 2021/22. The report recommends the adoption of the budget estimates, adjustments to budgetary ceilings, the distribution of grant received, and the approval to accept the offer of a borrowing cap from HM Treasury.

#### **What does this mean for businesses, people and places in South Yorkshire?**

This report seeks adjustments to the MCA's financial plan to ensure it has sufficient resource to deliver on its objectives. The report also seeks approval for the distribution of grant in support of business recovery aspirations and transport infrastructure goals.

#### **Recommendations**

The MCA Board:

1. Adopt the revised budget estimates;
2. Note the slower than forecast pace of the capital programme;
3. Approve the final distribution of Additional Restrictions Grant funding;
4. Approve the distribution of the excess Highways Maintenance grants received; and,
5. Approve the acceptance of the debt-cap of £171m for the year ending March 2022.

## Consideration by any other Board, Committee, Assurance or Advisory Panel

Not applicable

---

### 1. Background

- 1.1 The MCA's capital and revenue budgets remain sensitive to the recovery of the local and national economy as we move into the autumn and weather macro-economic forces.
- 1.2 In order to ensure that the MCA's financial plans remain aligned to its corporate and business priorities, and reflect new funding that becomes available, a mid-year budget revision exercise has been undertaken as at the end of September 2021 (Period 6). This exercise sought to re-test income and expenditure assumptions, and re-forecast budgets and programmes to the end of the financial year.
- 1.3 The results of this exercise highlight a number of notable issues that will influence the MCA's financial position over the remainder of the year, as well as planning for the medium term:
  1. Bus and tram funding has now been committed to the end of the current financial year, providing much needed near-term certainty;
  2. The region continues to perform strongly in the distribution of business assistance grants and has now moved to deploy the final tranche of funding;
  3. Whilst the Summer Saver public transport patronage primer performed well, the 18-21 concession offer has to-date not generated the level of uptake expected;
  4. A number of Renewal Action Plan schemes within the Business Growth and Skills and Employment thematic areas are now profiled to deliver within the forthcoming new financial year; and,
  5. Risks around the pace of the capital programme are now crystallising with concerns around the Brownfield programme paramount.
- 1.4 At the mid-year mark the principal budget concern has pivoted away from the ongoing scale and longevity of government support to the South Yorkshire public transport network to concerns around the pace of the MCA's revenue and capital programmes and associated supply chain and labour market challenges.
- 1.5 Over quarter 2 the MCA received confirmation of government's intentions for both bus and tram funding, with commitments received until the end of the financial year. The commitment of this national support has provided much needed clarity on the role of the MCA in complementing this position.
- 1.6 The MCA's adopted financial plan continues to allow it to match national support with concessionary payments being made to operators at pre-pandemic levels, supporting 100% network coverage.
- 1.7 However, over the course of the quarter national supply chain and labour market issues have begun to permeate into the MCA's operational affairs. Notably, driver shortages have meant transport operators have been unable to deliver the full network coverage required leading to savings on the agreed concession payments.

- 1.8 Supply chain and labour market concerns have also begun to affect programme delivery, with saturated markets leading to cost inflation and delays to recruitment and the appointment of contractors.
- 1.9 This report notes that these issues are contributing factors to the slower than forecast pace of capital and revenue programmes. At the mid-year mark programmes across all thematic areas have been re-profiled with activity moved into future financial periods.
- 1.10 Of principal concern at this stage is the pace of the Brownfield housing programme where – despite a strong pipeline of schemes – the forecast level of expenditure incurred by outturn will fall short of the target set by government with limited mitigations available.
- 1.11 However, despite these issues this report notes that previous concerns around the withdrawal of a £6m scheme from the Getting Building Fund programme have abated following fruitful collaboration between the MCA, government, and the local partner.
- 1.12 Strong progress also continues to be made on the deployment of Additional Restrictions Grant (ARG) in support of the South Yorkshire Business Support Scheme. At its last reporting date, government data showed the MCA performing well compared to its peer group, with the MCA distributing more funding than any other ARG recipient.
- 1.13 Finally, this report seeks approval for the distribution of Highways Maintenance funding and the approval to accept the formal offer of a borrowing cap from HM Treasury.
- 1.14 Whilst this borrowing cap is relatively modest in value and time-limited to the end of the current financial year, it does represent a significant milestone on South Yorkshire’s devolution journey. Acceptance of the cap at this stage will precipitate the laying of the statutory instrument that will enable the MCA to draw down on new powers to take on debt in support of its non-transport activity.
- 1.15 Appended to this report is a review of the Treasury Management Strategy at the mid-year point. The report notes higher than forecast cash balances due to increased grant and lower than forecast spend. Whilst interest rates remain subdued driving down investment returns, the higher cash balances mean investment income for the year remains relatively stable.
- 1.16 Also appended to the report is an update on budget forecasts for the forthcoming financial year. This update takes account of known issues arising from the Spending Review, but notes that final clarity over funding for the new year will likely not be forthcoming for some time.

## **2. Key Issues**

### **2.1 Summary overview**

The 2021/22 budget for the year was set at £358m, consisting of both revenue and capital expenditure. This expenditure was fully funded from a combination of grants, receipts, general income, and reserves:

| <b>Funding</b>                 | <b>£k</b>       |     |
|--------------------------------|-----------------|-----|
| <b>Gross Expenditure</b>       | <b>£358,194</b> |     |
| - Revenue                      | £133,356        | 37% |
| - Capital                      | £224,838        | 63% |
| <b>Funded by:</b>              |                 |     |
| General Income                 | £4,978          | 2%  |
| Release of Reserves/Provisions | £32,671         | 9%  |
| Grants                         | £320,545        | 89% |
|                                | <b>£358,194</b> |     |

2.2 For the first time, the budget was structured around the MCA's thematic board areas, allowing for greater insight into how the MCA's investments are matched to its aspirations.

2.3 The weighting of expenditure reflects, in part, the MCA's local transport authority responsibilities and new responsibilities for devolved activity such as the Adult Education Budget. It is also heavily shaped by the grants that are available from government:

|                                   | <b>Revenue<br/>£k</b> | <b>Capital<br/>£k</b> | <b>Total<br/>£k</b> |
|-----------------------------------|-----------------------|-----------------------|---------------------|
| Transport and Environment         | £66,583               | £147,368              | £213,951            |
| Housing, Infrastructure, Planning | £897                  | £67,170               | £68,067             |
| Skills and Employment             | £33,490               | £3,451                | £36,941             |
| Business Growth and Recovery      | £18,213               | £3,406                | £21,619             |
|                                   | £119,183              | £221,395              | £340,578            |
| MCA Executive                     | £12,762               | £3,443                | £16,205             |
| Mayoral Office                    | £1,411                | £0                    | £1,411              |
| <b>Total</b>                      | <b>£133,356</b>       | <b>£224,838</b>       | <b>£358,194</b>     |

2.4 After the first half of the year, this report recommends a number of adjustments to the budget ceiling. Revenue expenditure is now expected to outturn marginally above the opening budget - despite net fluctuations - as slipped activity is offset by earlier adjustments. Capital expenditure is now forecast to outturn £68m under the base budget forecast as activity across a number of programme areas continues to be re-profiled to future periods.

2.5 In total, at the half-year mark expenditure is expected to outturn at over £292m:

|         | <b>Base<br/>£m</b> | <b>Movement<br/>£m</b> | <b>Revision 1<br/>£m</b> | <b>Movement<br/>£m</b> | <b>Revision 2<br/>£m</b> |
|---------|--------------------|------------------------|--------------------------|------------------------|--------------------------|
| Revenue | £133,356           | £25,601                | £158,957                 | -£23,600               | £135,357                 |
| Capital | £224,838           | -£25,513               | £199,325                 | -£42,197               | £157,128                 |
|         | <b>£358,194</b>    | <b>£88</b>             | <b>£358,282</b>          | <b>-£65,797</b>        | <b>£292,485</b>          |

2.6 These adjustments are reflected in changes to the weighting of expenditure across the thematic areas. Capital programme reprofiling has varied down the level of expenditure within both the Housing, Infrastructure & Planning area and the Transport and Environment area, whilst proposals for investment into a number of



business growth schemes has seen the expected level of expenditure increase in the Business Growth and Recovery area.

- 2.7 Lower than forecast revenue expenditure relating to Renewal Action Plan activity within the Skills and Employment and Business Growth areas and lower than forecast take-up of the 18-21 travel concession in the Transport and Environment area has also impacted on expenditure levels. The material reduction in the Mayoral Office area largely reflects the virement of funding out of this area to spending departments as expenditure items are committed to:

| <b>Consolidated</b>               | <b>Base<br/>£k</b> | <b>Revision 1<br/>£k</b> | <b>Revision 2<br/>£k</b> | <b>Variance<br/>£k</b> |
|-----------------------------------|--------------------|--------------------------|--------------------------|------------------------|
| Transport and Environment         | £213,951           | £203,002                 | £174,688                 | -£28,314               |
| Housing, Infrastructure, Planning | £68,067            | £63,124                  | £26,708                  | -£36,416               |
| Skills and Employment             | £36,941            | £42,119                  | £35,352                  | -£6,767                |
| Business Growth and Recovery      | £21,619            | £31,586                  | £40,586                  | £9,000                 |
|                                   | £340,578           | £339,831                 | £277,333                 | -£62,498               |
| MCA Executive                     | £16,205            | £16,850                  | £14,804                  | -£2,046                |
| Mayoral Office                    | £1,411             | £1,602                   | £348                     | -£1,254                |
| <b>Total</b>                      | <b>£358,194</b>    | <b>£358,283</b>          | <b>£292,485</b>          | <b>-£65,798</b>        |

- 2.8 This report proposes to adjust the funding applied to meet the revised expenditure forecasts. Slippage within the capital programme reduces the need to apply capital grants, with the business investment proposals being met from residual Local Growth Fund capital receipts. Revenue scheme slippage and assorted underspends also reduces the need for both in-year grant and reserves and provisions:

| <b>Funding Sources</b>             | <b>Base<br/>£k</b> | <b>Variance<br/>£k</b> | <b>Rev. 1<br/>£k</b> | <b>Variance<br/>£k</b> | <b>Rev.2<br/>£k</b> |
|------------------------------------|--------------------|------------------------|----------------------|------------------------|---------------------|
| <b>Ringfenced/Committed Grants</b> |                    |                        |                      |                        |                     |
| Revenue Grants                     | £108,251           | £20,653                | £128,904             | -£10,167               | £118,737            |
| Capital Grants                     | £212,179           | -£25,513               | £186,666             | -£52,334               | £134,332            |
|                                    | £320,429           | -£4,860                | £315,570             | -£62,501               | £253,069            |
| <b>Reserves &amp; Provisions</b>   |                    |                        |                      |                        |                     |
| Capital Receipts                   | £12,659            | £0                     | £12,659              | £10,768                | £23,427             |
| Revenue Reserves                   | £19,701            | £4,948                 | £24,649              | -£13,638               | £11,011             |
| Provisions                         | £427               | £0                     | £427                 | -£427                  | £0                  |
|                                    | £32,787            | £4,948                 | £37,735              | -£3,297                | £34,438             |
| <b>General Income</b>              | £4,978             | £0                     | £4,978               | £0                     | £4,978              |
| <b>Total Funding</b>               | <b>£358,194</b>    | <b>£88</b>             | <b>£358,283</b>      | <b>-£65,798</b>        | <b>£292,485</b>     |

- 2.7 In most instances funding received in-year which is not immediately deployed will flow to the balance sheet to be held in reserves or as grant unapplied. However, in a number of instances grant conditionality requires that funding be used in the year in which it is received or be returned to government. This is the case for Getting Building Fund (GBF) and Brownfield funding, and whilst it is expected that the GBF

funding will be deployed in full there are likely material underspends around the Brownfield activity. Government have been engaged on this issue.

- 2.8 At the time of writing there was some risk that the second tranche (£0.25m) of LEP core funding would not be received. This issue is connected with government's review of LEP's nationally. This risk was not anticipated and costs are largely committed. Should the funding not be forthcoming, costs will be met in the first instance by identified underspend.
- 2.9 This report provides further detail by thematic theme. Further budget revisions will be presented after each quarter.

### Analysis by Theme: Transport and Environment

- 2.10 The Transport and Environment area includes the local transport authority activity of the South Yorkshire Passenger Transport Executive along with the strategic planning activity undertaken within the MCA Executive. The area captures a significant part of the capital programme, representing the scale of the Transforming Cities Fund and Active Travel funding.
- 2.11 This report proposes new budget estimates for this area that will lead to a net reduction in activity of £28.50m from that adopted after the first quarter of the year. This movement largely reflects the deferral, reprofiling, and correction to a number of capital schemes, coupled with forecast revenue underspends arising from the 18-21 concession and the currently uncommitted CRSTS revenue funding:

| Transport & Environment | Base<br>£k      | Variance<br>£k  | Rev.1<br>£k     | Variance<br>£k  | Rev.2<br>£k     |
|-------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Capital                 | £147,368        | -£19,478        | £127,890        | -£16,314        | £111,576        |
| Revenue                 | £66,583         | £8,716          | £75,299         | -£12,188        | £63,111         |
| <b>Total</b>            | <b>£213,951</b> | <b>-£10,761</b> | <b>£203,190</b> | <b>-£28,502</b> | <b>£174,688</b> |

- 2.12 Adjustments are required across most directorates within the thematic area:

| Transport and Environment     | Revision 1<br>£k | Revision 2<br>£k | Variance<br>£k  |
|-------------------------------|------------------|------------------|-----------------|
| Strategic Transport           | £119,434         | £102,827         | -£16,607        |
| Transport Operations (SYPTTE) | £26,783          | £18,426          | -£8,358         |
| Customer Services (SYPTTE)    | £37,999          | £34,461          | -£3,538         |
| Debt and Finance              | £18,974          | £18,974          | £0              |
| <b>Total</b>                  | <b>£203,190</b>  | <b>£174,688</b>  | <b>-£28,502</b> |

- 2.13 Underspend in the Strategic Transport area largely relates to capital activity (£8.1m). Activity across the Transforming Cities, Active Travel, and Integrated Transport Block programmes have all slipped over the course of the year largely reflecting the scale of activity and supply chain pressures.
- 2.14 At Revision 2 the budget is also adjusted to reflect the likely deployment of CRSTS revenue funding in later periods and into the new financial year. This funding (£5.2m) is able to support the design of the BSIP and the development of future transport capital schemes. It is anticipated that options for the deployment of this funding will be presented to the Board when greater clarity is available on Levelling Up Fund and CRSTS awards, and the resourcing requirements to go from the draft BSIP publication through to April.

- 2.15 Active Travel revenue activity (£2.48m) has also now been reprofiled to reflect that the majority of activity will take place in the new financial year.
- 2.16 Underspend in the SYPTE areas largely reflects capital programme slippage (£8.2m) and the lower than forecast uptake on the 18-21 travel concession (£3.3m). This latter issue has been offset in part by the unbudgeted expenditure related to the Summer Saver scheme which is forecast to cost £0.95m. Whilst it is now expected that the 18-21 concession will outturn considerably under budget, the final cost may vary as the product receives greater exposure. Options are being considered on how any underspend could be redeployed.
- 2.17 Mid-year forecasts are also now suggesting that statutory concessions will outturn under budget by c. £0.75m. Whilst the MCA has committed to retaining concession payments at pre-pandemic levels as part of the Bus Recovery Grant funding package agreed with Government, funding rules do allow the MCA to vary the rate it pays if operators do not provide full network coverage. Varying the rate in this manner avoids the South Yorkshire taxpayer subsidising services that have not been provided.
- 2.18 Driver shortages have meant that operators have been unable to operate full services, and accordingly the MCA has reduced its payments where appropriate. It is proposed that this underspend be carried to reserves to support anticipated pay and price pressures in the new financial year.
- 2.19 Further analysis is presented in the appendices around the SYPTE position.

### Analysis by Theme: Skills and Employment

- 2.20 The Skills and Employment thematic area includes both capital and revenue activity and is split into three management areas. At the mid-year mark forecast expenditure at outturn is expected to total £35.35m, £1.59m below the base budgeted:

| Skills and Employment | Base<br>£k     | Variance<br>£k | Rev.1<br>£k    | Variance<br>£k | Rev.2<br>£k    |
|-----------------------|----------------|----------------|----------------|----------------|----------------|
| Capital               | £3,450         | £0             | £3,450         | £0             | £3,450         |
| Revenue               | £33,491        | £5,058         | £38,549        | -£6,648        | £31,902        |
| <b>Total</b>          | <b>£36,941</b> | <b>£5,058</b>  | <b>£42,000</b> | <b>-£6,648</b> | <b>£35,352</b> |

- 2.21 Whilst the opening budget was adjusted at Revision 1 for reprofiled Adult Education Budget expenditure, the table below highlights downward variations at Revision 2 in excess of that initial adjustment:

| Skills and Employment                | Revision R1<br>£k | Revision 2<br>£k | Variance<br>£k |
|--------------------------------------|-------------------|------------------|----------------|
| Skills Priorities & Investment       | £27,695           | £28,024          | £330           |
| Education & Skills For<br>Employment | £5,751            | £1,968           | -£3,783        |
| Skills For Business & Growth         | £8,554            | £5,359           | -£3,194        |
| <b>Total</b>                         | <b>£42,000</b>    | <b>£35,352</b>   | <b>-£6,648</b> |

- 2.22 The principal drivers for these variances are revised forecasts for Renewal Action Plan activity within the year, leading to a £6.46m reduction. Enhanced Apprenticeship activity is now expected to commence in late quarter four, whilst the Kickstart South Yorkshire schemes is now expected to fall into the new financial year. Gainshare is not subject to grant conditions that require the funding to be used within the year, with any unused funding being retained within or transferred to earmarked reserves for future use.
- 2.23 Other marginal underspends on staffing and development activity across the directorate have been offset in part by the adoption of a scheme to support the transition of existing learners to new Adult Education Budget providers (£0.21m).
- 2.24 Whilst the Adult Education Budget is now well underway with both grant funded and procured activity delivering, an in-budget reserve of £0.4m has been retained to support both the management of risk inherent in the first-year of delivery and the exploitation of any opportunities that emerge.

### Analysis by Theme: Business Growth and Recovery

- 2.25 This report proposes adjustments to the Business Growth and Recovery directorate's budget ceiling to reflect forecast growth in capital activity that is offset in part, by forecast reductions in revenue expenditure:

| Business Growth and Recovery | Base<br>£k     | Variance<br>£k | Rev.1<br>£k    | Variance<br>£k | Rev.2<br>£k    |
|------------------------------|----------------|----------------|----------------|----------------|----------------|
| Capital                      | £3,406         | £756           | £4,162         | £12,880        | £17,042        |
| Revenue                      | £18,213        | £9,355         | £27,568        | -£4,024        | £23,544        |
| <b>Total</b>                 | <b>£21,619</b> | <b>£10,111</b> | <b>£31,730</b> | <b>£8,856</b>  | <b>£40,586</b> |

- 2.26 The significant increase in expenditure within the Innovation and Investment area reflects the likelihood that the residual Local Growth Fund (LGF) grant held in capital receipts will be deployed in support of the business investment pipeline that has been incubated by through the LEP and Business Growth and Recovery Board. A number of schemes received funding approvals over quarter 2, with more schemes passing the threshold for investment.
- 2.27 Expenditure increases are offset in part by underspends with the Development Hub and Special Projects Hub:

| Business Growth and Recovery | Revision 1<br>£k | Revision 2<br>£k | Variance<br>£k |
|------------------------------|------------------|------------------|----------------|
| Development Hub              | £4,077           | £1,628           | -£2,449        |
| Innovation & Investment      | £4,044           | £16,736          | £12,692        |
| International Hub            | £364             | £286             | -£78           |
| Digital                      | £437             | £141             | -£296          |
| Business Assistance          | £17,587          | £17,597          | £10            |
| Special Projects             | £1,870           | £847             | -£1,023        |
| Emergency Recovery           | £3,352           | £3,352           | £0             |
| <b>Total</b>                 | <b>£31,730</b>   | <b>£40,586</b>   | <b>£8,856</b>  |

- 2.28 'Emergency Recovery' activity relates to the previously approved gainshare funded recovery grants that are due to the South Yorkshire local authorities to support their

locally developed recovery efforts. This activity was expected to conclude in the last financial year, but ultimately slipped into the new year.

2.29 Over £4m of gainshare funded Renewal Action Plan activity was included in this budget area at the start of the year. However, at the mid-year mark, activity is now expected to underspend against the base budget with RAP activity of c. £2.50m now moving into the new financial year.

2.30 Revised forecasts also now suggest that Made Smarter activity will underspend by c. £0.89m. This activity is currently in procurement, and the MCA is engaging government on the ability to roll forward in-year underspend into the new financial year.

2.31 At the time of writing, the MCA and partners had distributed over £46m of financial support into the regional economy through the locally designed and locally administered South Yorkshire Business Support Scheme, a total that compares favourably to the MCA's peer group. This scheme is funded from the Additional Restrictions Grant (ARG) awarded by government over three tranches:

| ARG  | Grants | £k             |
|------|--------|----------------|
| BMBC | 4,310  | £7,517         |
| DMBC | 4,879  | £9,180         |
| RMBC | 4,048  | £8,100         |
| SCC  | 10,068 | £21,317        |
|      |        | <b>£46,115</b> |

2.32 In achieving this level of expenditure the MCA was able to draw down on the third and final tranche of ARG funding, which takes the total resource at the MCA's disposal to £49.90m. This report seeks to formalise the final distribution of the ARG resource which is presented in Appendix i.

### Analysis by Theme: Housing & Infrastructure

2.33 The Housing and Infrastructure thematic area includes a significant part of the capital programme that is funded by the Getting Building and Brownfield grant programmes. It is supplemented with some revenue funding for core activity, and the revenue grant made available by government to prime the Brownfield activity.

2.34 The budget estimates in this report are dominated by the reductions in forecast capital expenditure:

| Housing and Infrastructure | Base<br>£k     | Variance<br>£k | Rev.1<br>£k    | Variance<br>£k  | Rev.2<br>£k    |
|----------------------------|----------------|----------------|----------------|-----------------|----------------|
| Capital                    | £67,170        | -£5,889        | £61,281        | -£36,390        | £24,891        |
| Revenue                    | £897           | £1,129         | £2,026         | -£209           | £1,817         |
| <b>Total</b>               | <b>£68,067</b> | <b>-£4,760</b> | <b>£63,307</b> | <b>-£36,599</b> | <b>£26,708</b> |

2.35 These variances are largely contained with the Strategic Infrastructure and Housing & Planning management areas:

| <b>Housing and Infrastructure</b> | <b>Revision 1<br/>£k</b> | <b>Revision 2<br/>£k</b> | <b>Variance<br/>£k</b> |
|-----------------------------------|--------------------------|--------------------------|------------------------|
| Digital                           | £5,500                   | £5,500                   | £0                     |
| Strategic Infrastructure          | £34,291                  | £15,082                  | -£19,209               |
| Housing & Planning                | £21,132                  | £3,848                   | -£17,285               |
| Net Zero                          | £2,384                   | £2,278                   | -£106                  |
| <b>Total</b>                      | <b>£63,307</b>           | <b>£26,708</b>           | <b>-£36,599</b>        |

2.36 The reduction in capital forecasts reflects two major issues:

1. Slippage on the Brownfield programme (£17.25m); and,
2. Slippage on gainshare funded 'Place' schemes (£21.24m).

2.37 Of principal concern is the Brownfield programme activity where the MCA is obliged to meet grant conditionality that requires £20m of capital expenditure to have been incurred by March 2022. Forecasts suggest that the MCA will miss this target by a considerable value, with little opportunity to apply mitigations. Underspend on Brownfield activity reflects both the considerable pressures within the system and the profound challenges of designing sound schemes that can deliver quality houses on Brownfield sites whilst still meeting the government's benefit/cost-ratio demands.

2.38 The MCA is actively engaging government to seek flexibilities on the delivery timeline, noting both the strong pipeline of schemes that are now progressing through approvals and into delivery and the systemic nature of the issue that is seeing underspend pressures replicate across MCAs nationally.

2.39 At the last reporting-date a £6m underspend risk on Getting Building Fund activity was reported due to the withdrawal of an undeliverable schemes. The Revision 1 budget report noted the risk that this funding would be clawed-back by government, with the investment and societal benefits lost to the region. However, following good collaboration with the sponsoring partner authority and government, an alternate package of schemes has now been accepted by government and the scheme is progressing well through assurance processes.

2.40 Work continues to identify further potential slippage on the Getting Building Fund activity, noting the need for all funding to be defrayed by the end of the financial year.

2.41 Finally, whilst the underspend on gainshare funded activity is notable due to the scale of slippage it should be recognised that gainshare does not attract some of the arbitrary prescriptions around funding windows that other grants do. Gainshare funding not deployed in-year will be earmarked for use in future periods.



## Analysis by Theme: MCA Executive

- 2.42 This report proposes an adjustment to the MCA Executive budget of £2.99m. This adjustment reflects forecast reductions in both revenue and capital expenditure:

| MCA Executive | Base<br>£k     | Variance<br>£k | Revision 1<br>£k | Variance<br>£k | Revision 2<br>£k |
|---------------|----------------|----------------|------------------|----------------|------------------|
| Capital       | £3,443         | -£2,067        | £1,376           | -£576          | £800             |
| Revenue       | £12,762        | £3,652         | £16,414          | -£2,410        | £14,004          |
| <b>Total</b>  | <b>£16,205</b> | <b>£1,585</b>  | <b>£17,790</b>   | <b>-£2,987</b> | <b>£14,804</b>   |

- 2.43 Expenditure adjustments have been made across the majority of the directorate areas but are most prominent within the Governance area where the costs of the Mayoral election planned for May 2022 have now been reprofiled with £0.80m of activity now moved into quarter 1 of the new financial year. A further £0.50m of the underspend shown within this area reflects the virement of integration budget adopted at Revision 1 to the spending areas.
- 2.44 Within the Deputy Chief Executive's Office a further £0.37m of modelling related activity is now forecast to slip into the new year reflecting the overwhelming need for the Assurance team to support the acceleration of existing projects through the governance gateways.
- 2.45 Delays to the progress of business cases has also impacted on expenditure in this area with the costs of independent appraisal, monitoring and evaluation, and business case support activity all tracking capital programme slippage into future periods (£0.24m).
- 2.46 Finally, almost all areas have accrued savings related to staffing as labour market pressures have led to vacant posts taking longer to fill than expected and notable churn in the existing establishment. These savings reduce calls on recharges into programme funding and obviate the need to call on reserves as previously planned.
- 2.47 The following table reflects the distribution of expenditure across the non-thematic executive teams:

| MCA Executive  | Revision R1<br>£k | Revision 2<br>£k | Variance<br>£k |
|--|-------------------|------------------|----------------|
| Deputy Chief Executive's Office                        | £5,203            | £4,445           | -£757          |
| Finance/IT/Programme & Performance/MCA Asset Portfolio | £7,124            | £6,692           | -£432          |
| Governance/Communications/Marketing                    | £4,929            | £3,132           | -£1,797        |
| Legal  | £535              | £535             | £0             |
| <b>Total</b>   | <b>£17,790</b>    | <b>£14,804</b>   | <b>-£2,987</b> |

### Highways Capital Maintenance Grant Awards

- 2.48 In January 2021 the MCA agreed the award of highways maintenance grants to Barnsley, Doncaster, and Rotherham based on an assumed funding award of £12.22m. Assumptions were made to reflect that at the point of approving the budget government was yet to determine the amount of funding available.
- 2.49 Funding was allocated based on the traditional basis for determining equitable distribution, noting that Sheffield is not eligible for this funding due to the Highways PFI credits it receives directly from government for its Streets Ahead programme.



- 2.50 The final settlement received by the MCA was, however, in excess of the base assumption by £3.47m, bringing total maintenance funding to £15.69m.
- 2.51 In September 2021, the Transport and Environment Board endorsed the proposal to distribute this excess funding in line with the previously agreed metrics. This report recommends that this approach be approved with distributions to the three authorities as below:

|      | Share<br>%     | Initial Total<br>£k | Revised Total<br>£k | Variance<br>£k |
|------|----------------|---------------------|---------------------|----------------|
| BMBC | 30.20%         | £3,690              | £4,739              | £1,049         |
| DMBC | 40.18%         | £4,910              | £6,305              | £1,395         |
| RMBC | 29.62%         | £3,619              | £4,648              | £1,029         |
|      | <b>100.00%</b> | <b>£12,219</b>      | <b>£15,692</b>      | <b>£3,473</b>  |

### **Debt Cap Negotiations**

- 2.52 The MCA has previously authorised the Group Finance Director to negotiate a debt-cap with government. The agreement of such as cap is a necessary precursor to the receipt of the non-transport borrowing powers available to the MCA as a result of the devolution settlement.
- 2.53 Previous reporting has noted that the government have stated that the debt-cap agreed this year would be limited to the current financial year only, with a new cap to be negotiated for the period commencing April 2022.
- 2.54 Accordingly, negotiations around the cap necessarily focussed on a relatively short timeframe and practicalities on what would be required within that window.
- 2.55 Following discussions with government and an objective assessment of need, the Group Finance Director requested a debt cap totalling £171m which would enable new borrowing – if required – of £35m between now and March 2022.
- 2.56 HM Treasury have accepted the proposed cap and have now formally written to the MCA with an offer. This report recommends that the MCA authorise officers to accept this offer. Acceptance will precipitate the laying in Parliament of the instrument required to grant the MCA the new vires for non-transport borrowing powers.
- 2.57 It should be noted that in agreeing to the debt cap - and securing additional borrowing headroom – the MCA is in no way obliged to taken on new debt.
- 2.58 Investment decisions will remain within the purview of the MCA and its Boards, subject to existing governance and the Prudential Code. The affordability of any investment facilitated through borrowing will need to be considered in the context of the servicing of debt and its impact on available gainshare funding.

## **3. Options Considered and Recommended Proposal**

### **3.1 Option 1**

Adopt the budget revisions presented in this paper.

### **3.2 Approve the grant awards proposed.**

3.3 Approve the acceptance of the debt-cap negotiated with HM Treasury.

3.4 **Option 1 Risks and Mitigations**

The budget estimate proposals within this report are fully funded and do not expose the MCA to any additional risk that has not been shared with the Board.

Adopting the debt-cap does not require the MCA to take on any new debt, but simply provides headroom.

3.5 **Option 2**

The MCA could choose to not adopt the new budget estimates.

3.6 The MCA could choose to reject the grant awards detailed in this report.

3.7 The MCA could choose to reject the debt-cap offer.

3.8 **Option 2 Risks and Mitigations**

Should the MCA choose not to adopt the new budget estimates work on a number of the MCA's key priorities would have to cease or be deferred.

Should the MCA choose not to award the grants in the manner described, work would have to pause on the South Yorkshire Business Scheme until a new package could be agreed.

Should the MCA choose to reject the debt-cap offer it is likely that the MCA will not be able to draw down upon borrowing powers.

3.8 **Recommended Option**

Option 1.

4. **Consultation on Proposal**

4.1 None

5. **Timetable and Accountability for Implementing this Decision**

5.1 The Group Finance Director will be responsible for implementing budget adjustments, facilitating grant awards, and liaising with HM Treasury on the debt-cap.

6. **Financial and Procurement Implications and Advice** *(to be written by the relevant Finance Officer and the Head of Procurement on behalf of s73 Officer)*

6.1 This is a financial report the details of which are in the main body of the document and supporting appendices.

7. **Legal Implications and Advice**

7.1 Agreement of a debt-cap with HM Treasury is a necessary precursor to the tabling of legislation for the drawdown of new borrowing powers.

**8. Human Resources Implications and Advice**

8.1 None

**9. Equality and Diversity Implications and Advice**

9.1 None.

**10. Climate Change Implications and Advice**

10.1 None.

**11. Information and Communication Technology Implications and Advice**

11.1 None

**12. Communications and Marketing Implications and Advice**

12.1 None

**List of Appendices Included**

- 1 Appendix including:
  - Gross expenditure by thematic area, directorate and management area
  - Reserves update
  - Gainshare update
  - ARG distribution proposals
- 2 Mid-Year Treasury Management Review
- 3 Budget 2022/23 Forecast

**Background Papers**

None

APPENDIX 1

1. GROSS EXPENDITURE BY THEMATIC AREA, DIRECTORATE & MANAGEMENT AREA

| Portfolio   | Directorate                            | Management Area                | Base<br>£'000   | Rev. 1<br>£'000 | Rev. 2<br>£'000 | Variance<br>£'000 |
|---|--|--------------------------------|-----------------|-----------------|-----------------|-------------------|
| T&E   | Strategic<br>Transport                 | Active Travel                  | £37,502         | £32,333         | £25,743         | −£6,590           |
|   |  | Public Transport               | £22,802         | £21,600         | £14,182         | −£7,418           |
|   |  | Rail                           | £109            | £246            | £247            | £1                |
|   |  | Roads                          | £69,898         | £65,255         | £62,656         | −£2,599           |
|   |  |                                | <b>£130,310</b> | <b>£119,434</b> | <b>£102,827</b> | <b>−£16,607</b>   |
|   | Transport Ops -<br>PTE                 | Bus Services                   | £17,303         | £19,043         | £15,069         | −£3,974           |
|   |  | Heavy Rail                     | £2,254          | £303            | −£22            | −£324             |
|   |  | Light Rail                     | £6,638          | £6,351          | £3,379          | −£2,972           |
|   |  |                                | <b>£26,194</b>  | <b>£25,696</b>  | <b>£18,426</b>  | <b>−£7,271</b>    |
|   | Customer<br>Services - PTE             | Concessions &<br>Ticketing     | £29,803         | £30,272         | £26,799         | −£3,474           |
|   |  | Customer Services              | £3,484          | £3,593          | £3,458          | −£135             |
|   |  | Facilities &<br>Infrastructure | £4,099          | £4,134          | £4,205          | £71               |
|   |  |                                | <b>£37,386</b>  | <b>£37,999</b>  | <b>£34,461</b>  | <b>−£3,538</b>    |
|   | Debt & Finance                         | Debt & Finance                 | £20,061         | £20,061         | £18,974         | −£1,087           |
|   | <b>TRANSPORT AND ENVIRONMENT TOTAL</b> |                                |                 | <b>£213,951</b> | <b>£203,190</b> | <b>£174,688</b>   |
| HIP   | Infrastructure &<br>Housing            | Digital                        | £5,500          | £5,500          | £5,500          | £0                |
|   |  | Strategic<br>Infrastructure    | £39,924         | £34,291         | £15,082         | −£19,209          |
|   |  | Housing & Planning             | £20,443         | £21,132         | £3,848          | −£17,285          |
|   |  | Net Zero                       | £2,201          | £2,384          | £2,278          | −£106             |
|   |  |                                | <b>£68,067</b>  | <b>£63,307</b>  | <b>£26,708</b>  | <b>−£36,599</b>   |
| <b>HOUSING, INFRASTRUCTURE AND PLANNING TOTAL</b> |  |                                | <b>£68,067</b>  | <b>£63,307</b>  | <b>£26,708</b>  | <b>−£36,599</b>   |
| BRGB  | Business Growth                        | Development Hub                | £4,129          | £4,077          | £1,628          | −£2,449           |
|   |  | Innovation &<br>Investment     | £4,402          | £4,044          | £16,736         | £12,692           |
|   |  | International Hub              | £364            | £364            | £286            | −£78              |
|   |  | Digital                        | £0              | £437            | £141            | −£296             |
|   |  | Business Assistance            | £12,500         | £17,587         | £17,597         | £10               |

|   |                                 |   |                 |                 |                 |                 |
|---|---------------------------------|---|-----------------|-----------------|-----------------|-----------------|
|   |                                 | Special Projects                            | £225            | £1,870          | £847            | -£1,023         |
|   |                                 | Emergency Recovery Funding                  | £0              | £3,352          | £3,352          | £0              |
|   |                                 |   | £21,619         | £31,730         | £40,586         | £8,856          |
| <b>BUSINESS RECOVERY AND GROWTH TOTAL</b> |                                 |   | <b>£21,619</b>  | <b>£31,730</b>  | <b>£40,586</b>  | <b>£8,856</b>   |
| S&E                                       | Skills & Employment             | Skills Priorities & Investment              | £23,507         | £27,695         | £28,024         | £330            |
|   |                                 | Education & Skills For Employment           | £5,730          | £5,751          | £1,968          | -£3,783         |
|   |                                 | Skills For Business & Growth                | £7,704          | £8,554          | £5,359          | -£3,194         |
|   |                                 |   | £36,941         | £42,000         | £35,352         | -£6,648         |
| <b>SKILLS &amp; EMPLOYMENT TOTAL</b>      |                                 |   | <b>£36,941</b>  | <b>£42,000</b>  | <b>£35,352</b>  | <b>-£6,648</b>  |
| MCA Executive                             | Deputy Chief Executive's Office | Business Operations                         | £714            | £717            | £669            | -£48            |
|   |                                 | BSW   | £1,005          | £1,005          | £944            | -£61            |
|   |                                 | HR  | £1,064          | £1,249          | £1,580          | £331            |
|   |                                 | Policy & Assurance                          | £2,010          | £2,232          | £1,252          | -£980           |
|   |                                 |   | £4,793          | £5,203          | £4,445          | -£757           |
|   | Finance                         | Finance                                     | £1,505          | £1,490          | £1,458          | -£32            |
|   |                                 | IT  | £2,507          | £2,671          | £2,472          | -£199           |
|   |                                 | MCA Asset Portfolio Programme & Performance | £1,836          | £1,836          | £1,949          | £113            |
|   |                                 |   | £1,067          | £1,127          | £812            | -£314           |
|   |                                 |   | £6,915          | £7,124          | £6,692          | -£432           |
|   | Governance                      | External Affairs                            | £528            | £1,329          | £1,062          | -£268           |
|   |                                 | Governance                                  | £2,030          | £2,095          | £1,135          | -£961           |
|   |                                 | Comms & Marketing                           | £1,404          | £1,504          | £935            | -£569           |
|   |                                 |   | £3,963          | £4,929          | £3,132          | -£1,797         |
|   | Legal                           | Legal                                       | £535            | £535            | £535            | £0              |
| <b>MCA EXECUTIVE TOTAL</b>                |                                 |   | <b>£16,205</b>  | <b>£17,790</b>  | <b>£14,804</b>  | <b>-£2,987</b>  |
| MO  | Mayor's Office                  | Mayor's Office                              | £1,411          | £421            | £348            | -£72            |
| <b>MAYORAL OFFICE TOTAL</b>               |                                 |   | <b>£1,411</b>   | <b>£421</b>     | <b>£348</b>     | <b>-£72</b>     |
| <b>MCA GROUP TOTAL EXPENDITURE</b>        |                                 |   | <b>£358,194</b> | <b>£358,437</b> | <b>£292,485</b> | <b>-£65,952</b> |

## 2. SYPTE REVENUE BUDGET FORECASTS

|  | Levy<br>Agreement<br>£'000 | March<br>Budget<br>£'000 | Rev. 1<br>£'000 | Rev. 2<br>£'000 | Variance<br>£'000 |
|--|----------------------------|--------------------------|-----------------|-----------------|-------------------|
| <b>Mandatory &amp; Discretionary Expenditure</b> |                            |                          |                 |                 |                   |
| ENCTS/Mobility Concessions                       | £23,461                    | £23,461                  | £23,461         | £22,711         | -£750             |
| <b>Financial Obligations</b>                     |                            |                          |                 |                 |                   |
| Capital Financing                                | £6,018                     | £6,018                   | £6,019          | £6,019          | £0                |
| Tram Access                                      | £1,500                     | £1,500                   | £1,500          | £1,500          | £0                |
| Depreciation                                     | £6,769                     | £6,769                   | £6,769          | £6,769          | £0                |
| Pensions   | £740                       | £740                     | £740            | £740            | £0                |
| <b>Discretionary Expenditure</b>                 |                            |                          |                 |                 |                   |
| Child Concessions                                | £3,986                     | £3,986                   | £3,986          | £3,986          | £0                |
| Zero fare pass income                            | -£1,550                    | -£1,550                  | -£1,550         | -£1,550         | £0                |
| 18-21 Concession                                 | £5,297                     | £5,297                   | £5,297          | £2,000          | -£3,297           |
| Summer Saver                                     | £0                         | £0                       | £0              | £950            | £950              |
| Departure Charges                                | -£946                      | -£946                    | -£946           | -£946           | £0                |
| Tendered Bus Services                            | £5,821                     | £5,821                   | £5,821          | £5,921          | £100              |
| Community Transport                              | £1,657                     | £1,657                   | £1,657          | £1,657          | £0                |
| <b>Operational Departments</b>                   |                            |                          |                 |                 |                   |
| Customer Services                                | £2,317                     | £2,317                   | £2,232          | £2,107          | -£125             |
| Commission on ticket sales                       | -£200                      | -£200                    | -£175           | -£220           | -£45              |
| Public Transport                                 | £8,904                     | £8,904                   | £8,884          | £8,717          | -£167             |
| Rents  | -£484                      | -£484                    | -£476           | -£466           | £10               |
| Service Charges                                  | -£2,090                    | -£2,090                  | -£2,089         | -£2,089         | £0                |
| Car Parking (Inc P&R)                            | -£48                       | -£48                     | -£93            | -£93            | £0                |
| Other (vending, Photo Kiosks etc)                | -£54                       | -£54                     | -£45            | -£45            | £0                |
| Support Departments                              | £2,787                     | £3,506                   | £3,606          | £3,628          | £22               |
| <b>SYPTE Total</b>                               | <b>£63,885</b>             | <b>£64,604</b>           | <b>£64,598</b>  | <b>£61,296</b>  | <b>-£3,302</b>    |
| MCA Transport operational expenditure            | £866                       | £866                     | £866            | £820            | -£46              |
| MRP  | £3,859                     | £3,859                   | £3,859          | £3,859          | £0                |
| External interest                                | £1,388                     | £1,388                   | £1,388          | £1,388          | £0                |
| Investment income                                | -£870                      | -£870                    | -£870           | -£870           | £0                |
| <b>MCA Transport Total</b>                       | <b>£5,243</b>              | <b>£5,243</b>            | <b>£5,243</b>   | <b>£5,197</b>   | <b>-£46</b>       |
| <b>Overall Transport Total</b>                   | <b>£69,128</b>             | <b>£69,847</b>           | <b>£69,841</b>  | <b>£66,493</b>  | <b>-£3,348</b>    |
| <b>Funded by:</b>                                |                            |                          |                 |                 |                   |
| <b>MCA Resource:</b>                             |                            |                          |                 |                 |                   |
| Transport Levy                                   | £54,364                    | £54,364                  | £54,364         | £54,364         | £0                |
| Gainshare  | £4,209                     | £4,209                   | £4,209          | £2,000          | -£2,209           |
| Levy Reduction Reserve                           | £3,786                     | £3,786                   | £3,786          | £2,647          | -£1,139           |
| MCA Recharges for Shared Services                | £0                         | £713                     | £713            | £713            | £0                |
| <b>SYPTE Resource:</b>                           |                            |                          |                 |                 |                   |
| Grant to offset Depreciation                     | £6,769                     | £6,769                   | £6,769          | £6,769          | £0                |
| <b>Total</b>                                     | <b>£69,128</b>             | <b>£69,841</b>           | <b>£69,840</b>  | <b>£66,493</b>  | <b>-£3,347</b>    |

### 3. CURRENT GAINSHARE COMMITMENTS

|   | Sponsor | Revenue<br>£k  | Capital<br>£k  | Total<br>£k    |
|---|---------|----------------|----------------|----------------|
| <b>Allocations</b>  |         |                |                |                |
| 2020/21   |         | £12,000        | £18,000        | £30,000        |
| 2021/22   |         | £12,000        | £18,000        | £30,000        |
|   |         | <b>£24,000</b> | <b>£36,000</b> | <b>£60,000</b> |
| <b>Commitments:</b>   |         |                |                |                |
| Emergency Recovery:   |         |                |                |                |
| - Barnsley  | BMBC    | £880           | £125           | <b>£1,005</b>  |
| - Doncaster   | DMBC    | £637           | £637           | <b>£1,273</b>  |
| - Rotherham   | RMBC    | £1,085         | £0             | <b>£1,085</b>  |
| - Sheffield   | SCC     | £1,194         | £1,194         | <b>£2,387</b>  |
| - Mayoral Combined Authority                                  | MCA     | £740           | £0             | <b>£740</b>    |
|   |         | <b>£4,536</b>  | <b>£1,956</b>  | <b>£6,490</b>  |
| Welcome to Yorkshire Grant                                    | WTY     | £300           | £0.00          | <b>£300</b>    |
| Flooding Proposal   |         |                |                |                |
| - Lundwood Flood Alleviation Scheme                           | BMBC    | £0.00          | £150           | <b>£150</b>    |
| - Barnsley Culvert Programme                                  | BMBC    | £0.00          | £250           | <b>£250</b>    |
| - Bentley Flood Alleviation                                   | DMBC    | £0.00          | £1,000         | <b>£1,000</b>  |
| - Borough Wide Surface Water Alleviation (Scawthorpe Fluvial) | DMBC    | £0.00          | £400           | <b>£400</b>    |
| - Conisborough Natural Flood Management                       | DMBC    | £0.00          | £200           | <b>£200</b>    |
| - Tickhill Natural Flood Management                           | DMBC    | £0.00          | £200           | <b>£200</b>    |
| - Rotherham to Kilnhurst Flood Alleviation Scheme             | RMBC    | £0.00          | £2,000         | <b>£2,000</b>  |
| - Sheaf Catchment Flood Alleviation Scheme                    | SCC     | £0.00          | £800           | <b>£800</b>    |
| - Project Contingency   |         | £0.00          | £500           | <b>£500</b>    |
|   |         | <b>£0.00</b>   | <b>£5,500</b>  | <b>£5,500</b>  |
| Active Travel Proposal  |         |                |                |                |
| - Barnsley  | BMBC    | £0             | £312           | <b>£312</b>    |
| - Doncaster   | DMBC    | £0             | £426           | <b>£426</b>    |
| - Rotherham   | RMBC    | £0             | £495           | <b>£495</b>    |
| - Sheffield   | SCC     | £0             | £1,007         | <b>£1,007</b>  |
|   |         | <b>£0</b>      | <b>£2,240</b>  | <b>£2,240</b>  |
| Placed Based Proposals  |         |                |                |                |
| - Glassworks Enhanced Capital Contribution                    | BMBC    | £0             | £2,600         | <b>£2,600</b>  |
| - Acquisition of Cheapside/Albert Street West                 | BMBC    | £0             | £1,000         | <b>£1,000</b>  |
| - Green Transport Infrastructure (Electric Bus Pilot)         | DMBC    | £0             | £1,900         | <b>£1,900</b>  |
| - Housing Retrofits   | DMBC    | £0             | £2,700         | <b>£2,700</b>  |
| - Century Business Centre                                     | RMBC    | £0             | £1,000         | <b>£1,000</b>  |
| - Rotherham Towns Fund Accelerator Scheme                     | RMBC    | £0             | £350           | <b>£350</b>    |
| - Rotherham Town Centre Acquisitions                          | RMBC    | £0             | £3,000         | <b>£3,000</b>  |
| - Heart of the City Block A                                   | SCC     | £0             | £3,000         | <b>£3,000</b>  |
| - Fargate Future High Street                                  | SCC     | £0             | £3,000         | <b>£3,000</b>  |



|  |     |                |                |                |
|--|-----|----------------|----------------|----------------|
| - Stocksbridge High Street                       | SCC | £0             | £1,800         | <b>£1,800</b>  |
| - Brownfield Housing Scheme                      | SCC | £0             | £1,000         | <b>£1,000</b>  |
|  |     | <b>£0</b>      | <b>£21,350</b> | <b>£21,350</b> |
| Bus Investment                                   |     |                |                |                |
| - Capital Investment                             | MCA | £0             | £3,170         | <b>£3,170</b>  |
| - 18-21 Concessions                              | MCA | £4,210         | £0             | <b>£4,210</b>  |
|  |     | <b>£4,210</b>  | <b>£3,170</b>  | <b>£7,380</b>  |
| Kickstart SY                                     | MCA | £3,405         | £0             | <b>£3,405</b>  |
| Enhanced Apprenticeships                         | MCA | £3,805         | £0             | <b>£3,805</b>  |
| Employers  | MCA | £6,910         | £0             | <b>£6,910</b>  |
|  |     | <b>£14,120</b> | <b>£0</b>      | <b>£14,120</b> |
| <b>Balance for Reserves and Feasibility Fund</b> |     | <b>£834</b>    | <b>£1,784</b>  | <b>£2,620</b>  |

#### 4. ADDITIONAL RESTRICTIONS GRANT DISTRIBUTIONS

| Scheme  | Allocation<br>£k | Allocation<br>% |
|---------|------------------|-----------------|
| Culture | £1,000           | 33%             |
| Capital | £2,000           | 67%             |
|         | <b>£3,000</b>    |                 |

| Authority | Allocation<br>£k | Allocation<br>% |
|-----------|------------------|-----------------|
| BMBC      | £8,134           | 16%             |
| DMBC      | £10,529          | 21%             |
| RMBC      | £8,283           | 17%             |
| SCC       | £22,954          | 46%             |
|           | <b>£49,900</b>   |                 |

## 6. GROUP REVENUE RESERVES

| Group        | Restrictions | Reserve                            | Outturn<br>MCA<br>£k | Outturn<br>SYPTTE<br>£k | Outturn<br>Total<br>£k | Planned Draw<br>Total<br>£k | Adjustment<br>Total<br>£k | Forecast R2<br>Total<br>£k |        |
|--------------|--------------|------------------------------------|----------------------|-------------------------|------------------------|-----------------------------|---------------------------|----------------------------|--------|
| MCA/LEP      | Unearmarked  | General Fund                       | £1,500               | £0                      | £1,500                 | -£50                        | £100                      | £1,550                     |        |
|              |              | - Carry Forwards                   | £243                 | £0                      | £243                   | £0                          | -£223                     | £20                        |        |
|              |              |                                    | £1,743               | £0                      | £1,743                 | -£50                        | -£123                     | £1,570                     |        |
|              | Earmarked    | SY Renewals Fund (Gainshare):      |                      |                         |                        |                             |                           |                            |        |
|              |              | Contingency                        |                      | £710                    | £0                     | £710                        | £0                        | £0                         | £710   |
|              |              | MCA Development                    |                      | £474                    | £0                     | £474                        | £0                        | £0                         | £474   |
|              |              | Emergency Recovery                 |                      | £1,172                  | £0                     | £1,172                      | £0                        | -£1,172                    | £0     |
|              |              | 18-21 Concessions                  |                      | £1,811                  | £0                     | £1,811                      | -£1,454                   | -£357                      | £0     |
|              |              | Employer Priorities                |                      | £2,972                  | £0                     | £2,972                      | £0                        | -£1,370                    | £1,602 |
|              |              | Employee Priorities                |                      | £3,101                  | £0                     | £3,101                      | -£2,490                   | £1,810                     | £2,421 |
|              |              |                                    |                      | £10,240                 | £0                     | £10,240                     | -£3,944                   | -£1,089                    | £5,207 |
|              |              | Skills Bank                        |                      | £7,817                  | £0                     | £7,817                      | -£109                     | -£663                      | £7,045 |
|              |              | Project Feasibility Fund           |                      | £3,600                  | £0                     | £3,600                      | £0                        | £0                         | £3,600 |
|              |              | LGF Revenue                        |                      | £2,088                  | £0                     | £2,088                      | -£357                     | £357                       | £2,088 |
|              |              | Mayoral Election                   |                      | £2,189                  | £0                     | £2,189                      | -£1,675                   | £891                       | £1,405 |
|              |              | Income Resilience Fund             |                      | £1,497                  | £0                     | £1,497                      | -£448                     | £448                       | £1,497 |
|              |              | Mayoral Capacity Fund              |                      | £1,275                  | £0                     | £1,275                      | -£1,093                   | £223                       | £405   |
|              |              | Apprenticeship Grant for Employers |                      | £107                    | £0                     | £107                        | £0                        | £0                         | £107   |
|              |              | Brownfield                         |                      | £0                      | £0                     | £0                          | -£430                     | -£387                      | -£817  |
|              |              | SAMS Grant Reserve                 |                      | £29                     | £0                     | £29                         | -£25                      | £0                         | £4     |
|              |              | £18,602                            | £0                   | £18,602                 | -£4,137                | £869                        | £15,334                   |                            |        |
| SY Transport | Unearmarked  | General Fund                       | £0                   | £4,760                  | £4,760                 | £0                          | -£479                     | £4,281                     |        |

|                                     |                                 |                |                |                |                 |               |                |
|-------------------------------------|---------------------------------|----------------|----------------|----------------|-----------------|---------------|----------------|
| Earmarked                           | Levy Reduction Reserve          | £14,163        | £0             | £14,163        | -£3,786         | £1,618        | £11,995        |
|                                     | PFI Reserve                     | £12,446        | £0             | £12,446        | £0              | £1,240        | £13,686        |
|                                     | Protection of Priority Services | £5,888         | £1,112         | £7,000         | £0              | £0            | £7,000         |
|                                     | Mass Transit Project Readiness  | £0             | £3,000         | £3,000         | £0              | £0            | £3,000         |
|                                     | Bus Recovery Project            | £0             | £3,000         | £3,000         | -£860           | -£265         | £1,875         |
|                                     | Asset Management                | £0             | £1,812         | £1,812         | -£150           | £150          | £1,812         |
|                                     | Income Resilience               | £0             | £1,500         | £1,500         | £0              | £0            | £1,500         |
|                                     | Pensions Smoothing              | £0             | £412           | £412           | £0              | £0            | £412           |
|                                     | Redundancy and Pay Inflation    | £0             | £394           | £394           | £0              | £0            | £394           |
|                                     | IT                              | £0             | £249           | £249           | -£5             | £0            | £244           |
|                                     |                                 | £32,497        | £11,479        | £43,976        | -£4,801         | £2,743        | £41,918        |
| <b>TOTAL GROUP REVENUE RESERVES</b> |                                 | <b>£63,082</b> | <b>£16,239</b> | <b>£79,321</b> | <b>-£12,932</b> | <b>£1,921</b> | <b>£68,310</b> |

## Barnsley Investment Schemes

| Funding         | Project   | Sponsor | 2021/22<br>£k | 2022/23<br>£k | 2023/24<br>£k | Total<br>£k |
|-----------------|---|---------|---------------|---------------|---------------|-------------|
| Gainshare       | Barnsley Culvert Programme                                | BMBC    | £250          |               |               | £250        |
| Gainshare       | Lundwood Flood Alleviation Scheme                         | BMBC    | £150          |               |               | £150        |
| LGF             | M1 Junction 37 Ph2 –Economic Growth Corridor (Claycliffe) | BMBC    | £4,072        |               |               | £4,072      |
| GBF             | Barnsley College Digital Innovation Hub Ph.2              | BMBC    | £1,145        |               |               | £1,145      |
| GBF             | New Active Travel Foot Cycle Bridge                       | BMBC    | £1,500        |               |               | £1,500      |
| GBF             | Goldthorpe Strategic Land Assembly                        | BMBC    | £580          |               |               | £580        |
| GBF/TCF         | Better Barnsley Market Gate Bridge                        | BMBC    | £2,000        | £2,800        |               | £4,800      |
| GBF             | Town Centre Public Realm                                  | BMBC    | £1,355        |               |               | £1,355      |
| ATF2 /Gainshare | Goldthorpe - Active Neighbourhood                         | BMBC    | £430          |               |               | £430        |
| ATF2 /Gainshare | Elsecar - Active Travel Lane                              | BMBC    | £450          |               |               | £450        |
| TCF             | A61 Active Travel   | BMBC    | £1,814        | £3,293        |               | £5,107      |
| TCF             | BRT   | BMBC    | £2,245        | £6,571        |               | £8,816      |
| TCF             | BMBC Station Access                                       | BMBC    | £277          | £782          |               | £1,059      |
| TCF             | A635  | BMBC    | £583          | £1,778        |               | £2,361      |
| TCF             | Barnsley Active Travel Hub                                | BMBC    | £46           |               |               | £46         |
| TCF             | Darton Active Travel Hub                                  | BMBC    | £6            |               |               | £6          |
| TCF             | Goldthorpe Active Travel Hub                              | BMBC    | £10           |               |               | £10         |
| TCF             | Darton Active Travel Link                                 | BMBC    | £32           |               |               | £32         |
| TCF             | Dearne Valley Active Travel Link                          | BMBC    | £10           |               |               | £10         |
| Gainshare       | Glassworks  | BMBC    | £2,600        |               |               | £2,600      |
| Gainshare       | Acquisition of Cheapside/Albert Street West               | BMBC    | £1,000        |               |               | £1,000      |
| BHF             | Goldthorpe Market Phase 1                                 | BMBC    |               | £144          |               | £144        |
| BHF             | Bernslai Close  | BMBC    |               | £180          |               | £180        |
| BHF             | Goldthorpe 1919   | BMBC    |               | £200          | £200          | £400        |
| BHF             | Towns Resedential Project                                 | BMBC    |               | £500          | £500          | £1,000      |
| BHF             | BMBC garage infill sites                                  | BMBC    |               | £300          | £180          | £480        |

|     |                              |      |                |                |                |
|-----|------------------------------|------|----------------|----------------|----------------|
| BHF | Courthouse - The Seam        | BMBC | £500           | £1,500         | £2,000         |
| BHF | Goldthorpe Hotel *           | BMBC |                |                |                |
| BHF | Goldthorpe Market Phase 1a*  | BMBC |                |                |                |
| HCM | Highways Capital Maintenance | BMBC | £4,739         |                | £4,739         |
| ITB | Integrated Transport Block   | BMBC | £1,074         |                | £1,074         |
|     |                              |      | <b>£26,368</b> | <b>£17,048</b> | <b>£2,380</b>  |
|     |                              |      |                |                | <b>£45,796</b> |

*\*Withdrawn*

## DMBC Investment Scheme

| Funding        | Project  | Sponsor         | 2021/22<br>£k | 2022/23<br>£k | 2023/24<br>£k | Total £k |
|----------------|--|-----------------|---------------|---------------|---------------|----------|
| Gainshare      | Bentley Flood Alleviation Scheme                                   | DMBC            | £1,000        |               |               | £1,000   |
| Gainshare      | Borough Wide Surface Water Alleviation Scheme (Scawthorpe Pluvial) | DMBC            | £400          |               |               | £400     |
| Gainshare      | Natural Flood Management (NFM) Conisbrough & Tickhill              | DMBC            | £400          |               |               | £400     |
| GBF            | DN Colleges Digital Infrastructure                                 | Don.<br>College | £197          |               |               | £197     |
| GBF            | DN Colleges Construction Space                                     | Don.<br>College | £979          |               |               | £979     |
| GBF            | Quality Streets Active Travel and Digital Infrastructure           | DMBC            | £5,500        |               |               | £5,500   |
| TCF            | Quality Streets Active Travel and Digital Infrastructure           | DMBC            |               | £3,500        |               | £3,500   |
| ATF2/Gainshare | Thorne & Moorends - Active Neighbourhoods                          | DMBC            | £299          |               |               | £299     |
| ATF2/Gainshare | Warmsworth to Conisborough - Active Travel Lane                    | DMBC            | £1,000        |               |               | £1,000   |
| TCF            | West of Doncaster Active Travel                                    | DMBC            | £461          | £3,570        |               | £4,031   |
| TCF            | DMBC Station Access  | DMBC            | £2,898        | £3,231        |               | £6,129   |
| TCF            | Doncaster Station to College                                       | DMBC            | £408          |               |               | £408     |
| TCF            | Bennethorpe to Hallgate  | DMBC            | £905          | £1,675        |               | £2,580   |
| TCF            | North Bridge Cycle Connector to High Street                        | DMBC            |               | £786          |               | £786     |
| TCF            | M18 J3   | DMBC            | £1,007        | £3,900        |               | £4,907   |
| TCF            | Unity  | DMBC            | £50           | £4,391        |               | £4,441   |
| TCF            | Green Transport Infrastructure (electric bus pilot)                | DMBC            | £1,900        |               |               | £1,900   |
| Gainshare      | Housing Refit  | DMBC            | £2,700        |               |               | £2,700   |
| Gainshare      | DMBC Small Sites   | DMBC            |               | £404          | £485          | £889     |
| BHF            | Former Nightingale School  | DMBC            |               | £713          | £858          | £1,571   |
| BHF            | Appleby Rd/ Athelstan Crescent/ Adwick Lane*                       | DMBC            |               |               |               |          |
| BHF            | Adwick   | DMBC            |               | £545          | £654          | £1,199   |

|     |                                     |      |                |                |                |
|-----|-------------------------------------|------|----------------|----------------|----------------|
| BHF | Doncaster Council House Build       | DMBC | £495           |                | £495           |
| BHF | Minister Quarter                    | DMBC |                | £2,500         | £2,500         |
| BHF | Town Centre Masterplan Acquisitions | DMBC |                | £5,250         | £5,250         |
| HCM | Highways Capital Maintenance        | DMBC | £6,305         |                | £6,305         |
| ITB | Integrated Transport Block          | DMBC | £1,350         |                | £1,350         |
|     |                                     |      | <b>£28,254</b> | <b>£25,215</b> | <b>£7,247</b>  |
|     |                                     |      |                |                | <b>£60,716</b> |

***\*Withdrawn***



## RMBC Investment Schemes

| Funding        | Project   | Sponsor | 2021/22<br>£k | 2022/23<br>£k | 2023/24<br>£k | 2024/25<br>£k | Total<br>£k |
|----------------|---|---------|---------------|---------------|---------------|---------------|-------------|
| LGF            | Greasbrough Corridor Road Junctions                   | RMBC    | £1,750        |               |               |               | £1,750      |
| DfT            | Parkway Widening                                      | RMBC    | £23,452       |               |               |               | £23,452     |
| GBF            | Rotherham Town Centre Housing - 3 Sites               | RMBC    | £1,198        |               |               |               | £1,198      |
| GBF            | Century Business Centre                               | RMBC    | £2,000        |               |               |               | £2,000      |
| Gainshare      | Century BIC   | RMBC    | £1,000        |               |               |               | £1,000      |
| GBF            | Greasebrough Corridor Improvements The Whins          | RMBC    | £2,000        |               |               |               | £2,000      |
| ATF2/Gainshare | Broom (Herringthorpe) - Active Travel Lane            | RMBC    | £1,499        |               |               |               | £1,499      |
| TCF            | A631 Maltby   | RMBC    | £273          | £1,977        |               |               | £2,250      |
| TCF            | Manvers Way   | RMBC    | £423          |               |               |               | £423        |
| TCF            | Doncaster Road, Dalton                                | RMBC    | £514          | £1,377        |               |               | £1,891      |
| TCF            | Footbridge from Forge Island to Riverside             | RMBC    | £980          |               |               |               | £980        |
| TCF            | Frederick Street East West Cycle Route                | RMBC    | £495          |               |               |               | £495        |
| TCF            | Sheffield Rd Cycleways                                | RMBC    | £2,106        | £5,591        |               |               | £7,697      |
| TCF            | AMID (RMBC)   | RMBC    | £3,073        | £12,027       |               |               | £15,100     |
| Gainshare      | Snail Yard - Towns Fund Accelerator                   | RMBC    |               | £350          |               |               | £350        |
| Gainshare      | Rotherham Town Centre Acquisitions                    | RMBC    |               | £3,000        |               |               | £3,000      |
| Gainshare      | Rotherham to Kilnhurst Flood Alleviation Scheme (FAS) | RMBC    | £2,000        |               |               |               | £2,000      |
| BHF            | Rotherham Small Sites 2020-21                         | RMBC    | £434          |               |               |               | £434        |
| BHF            | Small Sites 21/22                                     | RMBC    |               | £420          |               |               | £420        |
| BHF            | Canklow   | RMBC    |               | £150          |               |               | £150        |
| BHF            | Eastwood  | RMBC    |               | £1,794        |               |               | £1,794      |
| BHF            | Snail Hill  | RMBC    |               | £600          | £400          |               | £1,000      |
| BHF            | Forge Island  | RMBC    |               | £500          | £1,000        |               | £1,500      |
| BHF            | Ship Hill   | RMBC    |               | £600          | £1,000        |               | £1,600      |
| BHF            | Riverside North                                       | RMBC    |               | £900          |               | £4,200        | £5,100      |

|     |                              |      |                |                |               |               |                |
|-----|------------------------------|------|----------------|----------------|---------------|---------------|----------------|
| BHF | Riverside South              | RMBC |                | £900           |               | £2,400        | £3,300         |
| ITB | Integrated Transport Block   | RMBC | £1,154         |                |               |               | £1,154         |
| HCM | Highways Capital Maintenance | RMBC | £4,648         |                |               |               | £4,648         |
|     |                              |      | <b>£48,999</b> | <b>£30,186</b> | <b>£2,400</b> | <b>£6,600</b> | <b>£88,185</b> |

## Sheffield City Council Investment Schemes

| Funding        | Project  | Sponsor | 2021/22<br>£k | 2022/23<br>£k | 2023/24<br>£k | Total<br>£k |
|----------------|--|---------|---------------|---------------|---------------|-------------|
| Gainshare      | Sheaf Catchment Flood Alleviation Scheme                                 | SCC     | £75           | £425          | £300          | £800        |
| GBF/TCF        | Heart of the City Breathing Spaces                                       | SCC     | £4,518        | £1,424        |               | £5,942      |
| GBF            | Parkwood*  | SCC     |               |               |               |             |
| GBF            | Fargate Measures   | SCC     | £6,000        |               |               | £6,000      |
| ATF2/Gainshare | Netheredge and Crookes - Active Neighbourhoods                           | SCC     | £629          |               |               | £629        |
| ATF2/Gainshare | City Centre Cycle Hub  | SCC     | £300          |               |               | £300        |
| ATF2/Gainshare | Sheaf Valley Active Travel Route (Phase 1 - Sheaf Quay to Norton Hammer) | SCC     | £2,000        |               |               | £2,000      |
| TCF            | South West Bus Corridors   | SCC     |               | £1,326        |               | £1,326      |
| TCF            | AMID via Darnall/Sheffield to AMID Bus Corridor                          | SCC     | £3,072        | £12,311       |               | £15,383     |
| TCF            | Magna-Tinsley (Bawtry Road)  | SCC     | £844          | £4,376        |               | £5,220      |
| TCF            | City Centre Cycling/Cross City Bus                                       | SCC     | £4,858        | £9,239        |               | £14,097     |
| TCF            | Kelham   | SCC     | £536          | £1,464        |               | £2,000      |
| TCF            | Nether Edge Wedge  | SCC     | £1,384        | £6,082        |               | £7,466      |
| Gainshare      | Heat of the City Block A   | SCC     |               | £3,000        |               | £3,000      |
| Gainshare      | Match for Fargate Future High Street fund                                | SCC     | £3,000        |               |               | £3,000      |
| Gainshare      | Stocksbridge High Street Acquisition                                     | SCC     |               | £1,800        |               | £1,800      |
| Gainshare      | Brownfield Housing Scheme  | SCC     |               | £1,000        |               | £1,000      |
| BHF            | West Bar   | SCC     | £655          |               |               | £655        |
| BHF            | Malthouses   | SCC     |               | £1,097        |               | £1,097      |
| BHF            | Allen Street   | SCC     | £434          |               |               | £434        |
| BHF            | Cannon Brewery (Housing Zone North)                                      | SCC     |               | £2,255        |               | £2,255      |
| BHF            | Hoyle Street*  | SCC     |               |               |               |             |
| BHF            | Devonshire Quarter*  | SCC     |               |               |               |             |

|     |  |     |                |                |               |                |
|-----|--|-----|----------------|----------------|---------------|----------------|
| BHF | Attercliffe                                  | SCC |                | £1,870         |               | £1,870         |
| BHF | Park Hill 4                                  | SCC |                | £2,545         | £3,065        | £5,610         |
| BHF | Norfolk Park 10                              | SCC |                | £1,000         | £483          | £1,483         |
| BHF | Shirecliffe 2                                | SCC |                | £1,029         |               | £1,029         |
| BHF | Attercliffe: Workshop Road/ Titterton Close* | SCC |                |                |               |                |
| BHF | Porter Brook                                 | SCC | £350           |                |               | £350           |
| BHF | Little Kelham*                               | SCC |                |                |               |                |
| ITB | Integrated Transport Block                   | SCC | £2,543         |                |               | £2,543         |
|     |  |     | <b>£28,655</b> | <b>£52,243</b> | <b>£3,848</b> | <b>£84,746</b> |

*\*Withdrawn*

## SYLTE Investment Schemes

| Schemes in Delivery                           | Sponsor | 2021/22<br>£k | TCF<br>£k | ITB<br>£k | Other<br>£k |
|---|---------|---------------|-----------|-----------|-------------|
| Mass Transit Business Case                    | SYLTE   | £1,568        |           | £568      | £1,000      |
| Meadowhall Toilet Refurbishment               | SYLTE   | £5            |           |           | £5          |
| Supertram Rail Replacement                    | SYLTE   | £80           |           |           | £80         |
| Smart Ticketing / R&I Strategy                | SYLTE   | £150          |           | £150      |             |
| Programme Wide Costs                          | SYLTE   | £374          |           | £374      |             |
| LRT Signal Head Replacement                   | SYLTE   | £75           |           |           | £75         |
| <b>TCF Schemes</b>                            |         |               |           |           |             |
| A61 Wakefield Road Bus Corridor               | SYLTE   | £1,589        | £1,589    |           |             |
| Barnsley - Doncaster Quality Bus Corridor     | SYLTE   | £100          |           | £100      |             |
| A630 Bus Improvements                         | SYLTE   | £496          | £496      |           |             |
| Iport Bridge                                  | SYLTE   | £1,661        | £1,611    | 50        |             |
| Magna Tram Train Stop and P&R                 | SYLTE   | £670          | £670      |           |             |
| Parkgate P&R                                  | SYLTE   | £300          | £200      | £100      |             |
| Parkgate Link Road                            | SYLTE   | £1,451        | £1,451    |           |             |
| Taylor's Lane Roundabout                      | SYLTE   | £1,226        | £1,226    |           |             |
| South Yorkshire Rail Improvements             | SYLTE   | £407          | £407      |           |             |
| <b>Bus Related Schemes</b>                    |         |               |           |           |             |
| Bus Review Schemes (Quick Wins & prep costs)  | SYLTE   | £150          |           | £150      |             |
| Bus Stop Improvements (Northern General)      | SYLTE   | £65           |           |           | £65         |
| Mexborough Market Gateway                     | SYLTE   | £250          |           |           | £250        |
| <b>Tram Related Schemes</b>                   |         |               |           |           |             |
| Tram Bridging Strategy Prep Costs/ Quick Wins | SYLTE   | £1,000        |           | £225      | £775        |
| <b>Rail Related Schemes</b>                   |         |               |           |           |             |
| Rail Feasibility Work                         | SYLTE   | £50           |           | £50       |             |

| <b>Life Cycle Works</b>                   |      |                |      |     |
|---|------|----------------|------|-----|
| Shelter Programme Annual Programme        | SYPT | £100           | £100 |     |
| Wind Turbines                             | SYPT | £5             |      | £5  |
| Car Park Equipment                        | SYPT | £90            | £90  |     |
| Resurface Sheffield Interchange Runways   | SYPT | £45            | £45  |     |
| Resurface Meadowhall Interchange Runways  | SYPT | £45            | £45  |     |
| Park & Ride - Refurbishment               | SYPT | £45            | £45  |     |
| <b>Others</b>                             |      |                |      |     |
| Design Work for Projects "Pipeline"       | SYPT | £100           | £100 |     |
| Expansion of Meadowhall Park & Ride       | SYPT | £35            | £35  |     |
| CT Vehicle Replacement Annual Programme   | SYPT | £326           | £300 | £26 |
| Wheels to Work                            | SYPT | £70            |      | £70 |
| Programme / Project Management Software   | SYPT | £5             |      | £5  |
| IT Spend (Laptop Refresh Programme)       | SYPT | £29            |      | £29 |
| IT - Monitor Refresh Programme            | SYPT | £18            |      | £18 |
| IT - Network Switch Replacement Programme | SYPT | £50            |      | £50 |
| <b>Total</b>                              |      | <b>£12,630</b> |      |     |

### MCA Capital Investment Schemes

| <b>Programmes</b> |                                 |                | <b>2021/22</b> | <b>2022/23</b> | <b>2023/24</b> | <b>Total</b>  |
|-------------------|---------------------------------|----------------|----------------|----------------|----------------|---------------|
| <b>Funding</b>    | <b>Project</b>                  | <b>Sponsor</b> | <b>£k</b>      | <b>£k</b>      | <b>£k</b>      | <b>£k</b>     |
| Receipts          | Midland Road Remediation        | MCA            | £600           |                |                | £600          |
| GBF               | EV Charging Points              | MCA            | £1,847         |                |                | £1,847        |
| Gainshare         | Bus Capital Investment          | MCA            | £3,170         |                |                | £3,170        |
| TCF               | SCR Transport Modelling Updates | MCA            | £0             |                |                | £0            |
| Receipts          | BSW Ventilation                 | MCA            | £200           |                |                | £200          |
| Receipts          | ICT Cyclical Refresh            | MCA            | £0             |                | £150           | £150          |
| Receipts          | Estate Management               | MCA            | £110           |                |                | £110          |
|                   |                                 |                | <b>£5,927</b>  | <b>£0</b>      | <b>£150</b>    | <b>£6,077</b> |

This page is intentionally left blank

## SOUTH YORKSHIRE MAYORAL COMBINED AUTHORITY

### Investment strategy

The 2020/21 investment strategy set out the intention to look at options to diversify the investment portfolio in view of the availability of core funds over the longer term to seek better returns on investments, whilst paying due regard to security, liquidity and yield.

This was before the advent of the Coronavirus pandemic.

The greatly increased uncertainty this has brought about has meant that, for the time being at least, the MCA has continued with its existing prudent approach to managing its investment portfolio. This entails investing in a relatively narrow range of financial instruments with highly rated counterparties, namely:

- Fixed term deposits with local authorities through the local authority to local authority market
- Call accounts with reputable banks with a high credit rating, and
- Low volatility low risk highly liquid Money Market Funds which provide for instant access.

### Investment Performance

At the time that 2021/22 Treasury Management Strategy was agreed, the prospects for returns on investment were very poor, with no increase anticipated on the prevailing returns up to and including the end of 2023/24. Target returns ranged from 0.10% to 0.20% for short term investments of three to twelve months duration.

However, since then, as illustrated in the table below, the prospects have improved a little.

**Table 1 - Prospects for interest rates**

| Link Group Interest Rate View |        | 29.9.21 |        |        |        |        |        |        |        |        |
|-------------------------------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|
|                               | Dec-21 | Mar-22  | Jun-22 | Sep-22 | Dec-22 | Mar-23 | Jun-23 | Sep-23 | Dec-23 | Mar-24 |
| <b>BANK RATE</b>              | 0.10   | 0.10    | 0.25   | 0.25   | 0.25   | 0.25   | 0.50   | 0.50   | 0.50   | 0.75   |
| 3 month ave earnings          | 0.10   | 0.10    | 0.20   | 0.20   | 0.30   | 0.40   | 0.50   | 0.50   | 0.60   | 0.70   |
| 6 month ave earnings          | 0.20   | 0.20    | 0.30   | 0.30   | 0.40   | 0.50   | 0.60   | 0.60   | 0.70   | 0.80   |
| 12 month ave earnings         | 0.30   | 0.40    | 0.50   | 0.50   | 0.50   | 0.60   | 0.70   | 0.80   | 0.90   | 1.00   |
| 5 yr PWLB                     | 1.40   | 1.40    | 1.50   | 1.50   | 1.60   | 1.60   | 1.60   | 1.70   | 1.70   | 1.70   |
| 10 yr PWLB                    | 1.80   | 1.80    | 1.90   | 1.90   | 2.00   | 2.00   | 2.00   | 2.10   | 2.10   | 2.10   |
| 25 yr PWLB                    | 2.20   | 2.20    | 2.30   | 2.30   | 2.40   | 2.40   | 2.40   | 2.50   | 2.50   | 2.60   |
| 50 yr PWLB                    | 2.00   | 2.00    | 2.10   | 2.20   | 2.20   | 2.20   | 2.20   | 2.30   | 2.30   | 2.40   |

### Overall return on investments

Performance against the target return on the investment portfolio as a whole set in the Treasury Management Strategy is as follows as at Mid Year:

| Returns on investments                | 2021/22   | 2021/22  |
|---------------------------------------|-----------|----------|
|                                       | Indicator | Mid Year |
|                                       | %         | %        |
| Target return on treasury investments | 0.7       | 0.43     |



Whilst performance for the year to date is less than the target set at the start of the year it is nevertheless still considerably higher than the revised target for 2021/22 of between 0.1% and 0.2% suggested by the MCA's treasury advisors.

This has been achieved because of the significantly higher returns being earned on longer term investments as illustrated in the table below.

|   | 2021/22        |
|---|----------------|
|   | Mid Year       |
|   | £'000          |
| L T investments                           | 99,628         |
| S T investments                           | 302,197        |
| <b>All investments - weighted average</b> | <b>401,825</b> |
| L T investments return                    | 1.45%          |
| S T investments return                    | 0.09%          |
| <b>All investments – weighted average</b> | <b>0.43%</b>   |

The weighted average return on investments has declined steadily over the first 6 months of 2021/22 from 0.56% in April 2021 to 0.34% in September 2021. This is principally due to an increase of c. £170m in the amount invested in short term investments between April and September.

The returns on short term investments have remained low throughout the period - 0.25% on notice accounts, 0.01% on Money Market Funds, and in the range 0.1% to 0.3% for fixed term deposits.

Returns on long term investments have held reasonably steady in the first half of 2021/22. However, these will start to fall in the second half of the year as £22m of fixed term deposits earning interest at 2.20% to 2.30% have just matured and it will not be possible to reinvest at similar rates in the current economic climate. This may reduce the returns on long term investments by c £200k in the second half of 2021/22.

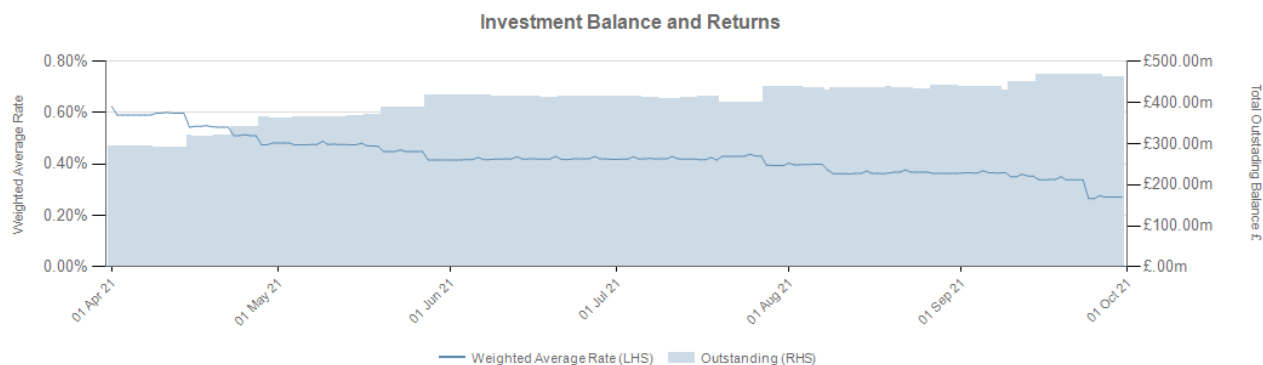
However, notwithstanding this, returns are still on track to exceed the budgeted treasury investment income for the year of £0.945m

### **Investment portfolio**

The MCA Group has continued to hold a substantial investment portfolio throughout the first half of 2021/22.

As illustrated below, at the start of the 2021/22 financial year, the investment portfolio stood at £304.5m and has remained at or above this level throughout the first 6 months rising to £462.5m at the end of September 2021. The change is represented by an increase in short term investments of £170m and reduction in long term investments of £12m.

The increase in the size of the portfolio is due to the inflow of major funding streams which have been received in advance of delivery. These include, for example, 2021/22 Gainshare allocation, devolved Adult Education Budget funding, Getting Building Fund tranche 2, Brownfield Housing, City Deal, Transforming Cities Funding, and South Yorkshire transport capital funding which has not yet been defrayed.



## **Investment portfolio by type of investment**

The table shows the analysis of investments by investment type at Period 6

| Investments by investment type                   | Mid Year       | Mid Year   |
|--|----------------|------------|
|  | Actual         | Actual     |
|  | £'000          | %          |
| Fixed term local authority deposits - long term  | 88,000         | 19         |
| Fixed term local authority deposits – short term | 25,000         | 6          |
| Fixed term bank deposits - short term            | 20,000         | 4          |
| Call accounts                                    | 60,000         | 13         |
| Money Market Funds                               | 269,446        | 58         |
|  |                |            |
| <b>Total investments</b>                         | <b>462,446</b> | <b>100</b> |

The investment strategy of investing in a relatively narrow range of financial instruments with highly rated counterparties in order to maximise security during the pandemic, together with the depressed state of the local authority to local authority market due to Central Government support for local government to support the response to Covid, has limited opportunities to diversify out of Money Market Funds.

It is worth noting that the Money Market Funds, although technically equity instruments, are treated as cash equivalents as they are instant access, very low risk funds with a high credit rating which are subject to only minimal risk of price fluctuation.

## **Longer term investments of more than 365 days**

The table below summarises the current level of longer term investment instruments in absolute terms and as a percentage of the total investment portfolio against the maximum limit approved in the 2021/22 Treasury Management Strategy.

As at the end of September 2021, there were fixed term deposits with a duration of more than 365 days of £88m. However, £63m of this will mature in 2022/23 leaving £25m in long term investments at the end of 2022/23.

| Investment greater than 365 days | 2021/22  | 2021/22  | 2022/23  |
|----------------------------------|----------|----------|----------|
|                                  | Estimate | Mid Year | Estimate |
|                                  | £'000    | £'000    | £'000    |
| Maximum - end of the year        | £80,000  | £80,000  | £27,500  |
| Existing long term investments   | £63,000  | £88,000  | £25,000  |
| Balance available to invest      | £17,000  | -£8,000  | £2,500   |

All of the longer term investments are fixed term deposits held with local authorities.

### **Security**

The risk of default in respect of the current narrow range of investment types is considered to be very low (potential default risk is assumed to be zero on local authority deposits and was estimated to be c. 0.012% in respect of reputable banks with a high credit rating based on historic default rates at 2020/21 year end).

### **Liquidity**

The 2020/21 Treasury Management Strategy stated that a balance of £25m should be maintained in highly liquid instant access investments / the bank in order to manage day to day treasury activity. This relatively high balance is considered necessary given the uncertainty of the timing of expenditure on the MCA's major capital investment programmes and major initiatives that the MCA is responsible for delivering.

The £25m minimum threshold has been maintained throughout the year to date.

## **Borrowing Strategy**

The current borrowing strategy is to meet any borrowing need for the year internally from treasury investments rather than taking out external borrowing. This is in the expectation that the cost of new borrowing will continue to exceed likely investment returns.

This remains likely to be the case despite the Government reducing PWLB rates on new loans by 1% under new lending arrangements which came into effect on 26 November 2020.

The latest fixed term PWLB rates range from 1.4% for short term borrowing rising to 2.2% for 20 year borrowing falling back to 1.9% for 50 year borrowing.

Returns on relatively short term investments of three to twelve months duration are forecast to increase only slowly from 0.1% to 0.3% currently to 0.7% to 1% by the end of 2023/24. This is on the assumption that the Bank of England base rate would increase to 0.75% by the end of 2023/24 with the first rate rise in June 2022. The latest indications, based on the Spending Review on 27<sup>th</sup> October 2021, are that an earlier rate rise may take place due to the higher than expected rate of inflation. Nevertheless, the differential between borrowing rates and returns on investment remains such that cost of borrowing remains higher than returns on investments.

In addition, the current strategy is to repay debt as it falls due rather than to refinance debt. This assumption has been built into the financial plans resulting in a projected fall in debt servicing costs as debt is repaid.

The strategy also seeks to take the opportunity to reschedule existing debt where this will lead to an overall saving. However, for the reasons described further on in this report it is considered unlikely that any such opportunities will arise in the short to medium term.

The new lending arrangements introduced in November 2020, in addition to lowering interest rates, also tightened the rules governing local authorities, including MCAs, access to PWLB borrowing. The new rules do not allow access to PWLB where a local authority intends to buy commercial investment assets held primarily or partially to generate a profit for yield within its capital plans at any point in the next three years regardless of whether the transaction would notionally be financed from a source other than PWLB. The definition of commercial investment assets in this case is that contained within MHCLG Statutory Guidance on Local Government investments and includes, for example, investment property portfolios whose main purpose is to generate a profit.

The MCA Group's investment property portfolio is a legacy of bus deregulation and comprises former transport assets which are not being actively managed to achieve commercial returns. Accordingly, they are not considered to fall within the definition of commercial investment assets under the Statutory Guidance. This will however be kept under review should there be any plans to expand or diversify the portfolio.

## **Capital Financing Requirement (CFR) estimates**

The table below shows the forecast change in the MCA Group's underlying need to borrow (Capital Financing Requirement) as at Period 6.

| Group Capital Financing Requirement                  | 2020/21         | 2021/22         | 2021/22         |
|--|-----------------|-----------------|-----------------|
|  | Actual          | Estimate        | Mid Year        |
|  | £'000           | £'000           | £'000           |
| <b>Opening CFR</b>                                   | £116,054        | £117,114        | £108,806        |
| <b>movement in CFR</b>                               |                 |                 |                 |
| Additional borrowing requirement                     | £0              | £80             | £4,522          |
| MRP  | -£3,648         | -£3,860         | -£3,380         |
| Capital receipts set aside for the repayment of debt | -£3,600         | £0              | £0              |
| Other adjustments                                    | £0              | £0              | £0              |
| <b>Closing CFR</b>                                   | <b>£108,806</b> | <b>£113,334</b> | <b>£109,948</b> |

There are two factors why the closing CFR at 31 March 2021 was lower than previously forecast at the time the 2021/22 Treasury Management Strategy was agreed prior to the start of the 2021/22 financial year:

- Firstly, the MCA took advantage of capital financing flexibilities to fund two capital schemes from grant instead of borrowing in 2020/21 (£3.970m Re-railing and £0.472m BDR capital pot). In 2021/22, it is anticipated that the funding will be reversed so that the borrowing requirement of £4.442m will fall on 2021/22
- Secondly, capital receipts / capital grant of £3.600m were applied to write down the CFR at the end of 2020/21. This was undertaken as part of the Group Reserves Strategy to establish a Project Feasibility Fund of £3.6m for the early stage development of capital projects. This was done by means of a transfer from the levy reduction reserve with the annual MRP savings arising from the £3.600m of capital receipts / capital grant applied to write down the CFR being used to build the levy reduction reserve back up over a period of time. In 2021/22, the annual MRP savings expected to be generated are £0.480m, which is why the mid year forecast MRP for the year is £3.380m compared to the initial estimate of £3.860m

There is no change to the estimated borrowing need for 2021/22 of £0.080m which relates to Re-railing. The overall borrowing requirement of £4.522m comprises the £0.080m plus the borrowing need deferred from 2020/21 of £4.442m.

### **Amount of external debt against the Capital Financing Requirement (CFR)**

The purpose of this indicator is to assess the extent to which borrowing is only being used in the medium to longer term to finance capital expenditure.

| Group external borrowing          | 2020/21         | 2021/22         | 2021/22         |
|-----------------------------------|-----------------|-----------------|-----------------|
|                                   | Actual          | Estimate        | Mid Year        |
|                                   | £'000           | £'000           | £'000           |
| External Debt                     |                 |                 |                 |
| -MCA Loans                        | £25,660         | £25,000         | £25,000         |
| -Expected change in MCA Loans     | -£660           | £0              | £0              |
| -SYPTe Debt                       | £161,375        | £108,375        | £105,400        |
| -Expected change in SYPTe Loans   | -£53,000        | -£7,975         | -£5,000         |
| <b>Gross Debt</b>                 | <b>£133,375</b> | <b>£125,400</b> | <b>£125,400</b> |
| The Capital Financing Requirement | £108,806        | £113,334        | £109,948        |
| <b>Debt in excess of CFR</b>      | <b>£24,569</b>  | <b>£12,066</b>  | <b>£15,452</b>  |

The benchmark recommended by CIPFA is that the estimated amount of gross debt should not exceed the estimated CFR for the current and following two years.

The reason why gross debt is in excess of CFR is due to the fact that historic debt taken out in the 1990s has only recently started to be repaid whereas over the same period MRP has been charged annually to the transport levy to write down the CFR.

This situation is now starting to rebalance as debt matures and significant loan repayments are being made.

Two SYPTE PWLB loans with an aggregate value of £2.975m were repaid at the end of September 2021 with a further SYPTE PWLB loan repayment of £5m scheduled for the beginning of January 2022. This will reduce the external debt by £7.975m by the end of 2021/22.

Further substantial loan repayments will be made thereafter as debt matures as illustrated in the table below. This will bring gross debt below the CFR.

| Maturity of borrowing: | Amount          |             |
|------------------------|-----------------|-------------|
|                        | £'000           | %           |
| 2021/22                | 7,975           | 4%          |
| 2022/23                | 8,000           | 4%          |
| 2023/24                | 50,400          | 27%         |
| 2024/25                | 4,000           | 2%          |
| 2025/26                | 4,000           | 2%          |
| 2026/27                | 4,000           | 2%          |
| 2027/28                | 22,000          | 12%         |
| 2028/29                | 0               | 0%          |
| 2029/30                | 4,000           | 2%          |
| 2030/31                | 4,000           | 2%          |
| 2043 to 2056           | 25,000          | 13%         |
| <b>Total</b>           | <b>£133,375</b> | <b>100%</b> |

### **Borrowing limits**

There are two indicators on borrowing limits: the authorised limit and operational boundary

The authorised limit represents a control on the maximum amount of debt that can be borrowed for capital investment and temporary cash flow purposes. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the long term.

The operational boundary is the maximum amount of money that the MCA group expects to borrow during the financial year. It acts as a useful warning if breached during the year that underlying spend may be higher than expected or income lower than budgeted.

Hitherto, the MCA has only had borrowing powers in relation to its transport functions. However, Government has now agreed to grant the MCA new powers for non-transport borrowing. As a first step towards this, as set out in the body of the report (para 2.52 ff), a debt cap of £171m has been offered by HM Treasury for the period to March 2022, with a new cap to be negotiated for the

period commencing April 2022. This provides for up to £35m of new borrowing if required between now and March 2022.

At the time that the borrowing limits in the 2021/22 treasury management strategy were set prior to the start of the financial year, there was uncertainty as to when non transport borrowing powers might be granted. Accordingly, the Borrowing Limits set at the start of the year allowed for £500m headroom to borrow to fund the South Yorkshire Investment Programme backed by gainshare plus a further £40m headroom as has typically been the case in previous years.

On the assumption that the debt cap of £171m is accepted by the MCA, the Authorised Limit and Operational Boundary have been amended accordingly as follows

| Authorised Limit            | 2021/22         | 2021/22         |
|-----------------------------|-----------------|-----------------|
|                             | Estimate        | Mid Year        |
|                             | £'000           | £'000           |
| Loans                       | £673,500        | £211,000        |
| Other Long Term Liabilities | £11,000         | £11,000         |
| <b>Total</b>                | <b>£684,500</b> | <b>£222,000</b> |

| Operational Boundary        | 2021/22         | 2021/22         |
|-----------------------------|-----------------|-----------------|
|                             | Estimate        | Mid Year        |
|                             | £'000           | £'000           |
| Loans                       | £658,500        | £171,000        |
| Other Long Term Liabilities | £11,000         | £11,000         |
| <b>Total</b>                | <b>£669,500</b> | <b>£182,000</b> |

The amount of external debt at the end of Period 6 stood at £141.4m and is scheduled to reduce by a further £5m to £136.4m by the end of the financial year. The revised operational boundary of £182m provides for up to £35m of new borrowing as referred to above.

No temporary revenue borrowing has been necessary or is anticipated.

Hence, for the year to date, borrowing is well within the revised Authorised Limit and Operational Boundary based on the proposed debt cap, and no difficulties are foreseen in remaining within these limits.

### **Debt Rescheduling / Early Repayment**

The interest rates on the existing debt portfolio ranges from 4.25% to 8.50%.

The interest rates for premature repayment which might facilitate rescheduling or early repayment of existing debt are currently in the range 0.3% to 1.1%.

The differential between the rates on the existing debt portfolio and premature repayments determine what premium would be incurred from rescheduling or repaying debt early.

The size of the differential at present means that cost of premature repayment will far outweigh any potential gain. There is therefore little realistic prospect of repaying PWLB debt early in the current environment.

To give an indication of the magnitude of the premium across the MCA Group's debt portfolio as a whole, as at 31 March 2021, it was in the region of c. £45m.

The prospect of refinancing or paying off early some of the underlying PFI debt relating to Doncaster Interchange in order to reduce future unitary payments over the remainder of the PFI term is discussed at the regular review meetings with the PFI Operator. No such opportunities have presented themselves to date.

### **Financing Costs**

The affordability of decisions taken to finance capital investment is assessed by the ratio of Financing Costs to Net Revenue Stream.

As illustrated below the Mid Year forecast shows a reduction in financing costs due to the saving on MRP. Financing costs as a percentage to net revenue income is therefore a little lower than at the time that 2021/22 Treasury Management strategy was set.

| Ratio of financing costs to net revenue streams | 2021/22        | 2021/22        |
|---|----------------|----------------|
|   | Estimate       | Mid Year       |
|   | £'000          | £'000          |
| Interest  | £8,359         | £8,359         |
| MRP   | £3,859         | £3,380         |
| Less Investment Income                          | -£870          | -£870          |
| <b>Net Financing Costs</b>                      | <b>£11,348</b> | <b>£10,869</b> |
| Income - transport levy                         | £54,365        | £54,365        |
| Finance Costs/Unrestricted Revenue Income %     | 21.2%          | 20.0%          |

### **Managing exposure to the risk of interest rate changes**

#### **Borrowing**

The MCA Group's debt portfolio as at Period 6 comprises the following :

| Gross Debt      | Mid Year       | Mid Year   |
|-----------------|----------------|------------|
|                 | Actual         | Actual     |
|                 | £'000          | %          |
| Fixed rate PWLB | 110,400        | 78         |
| Market loans    | 20,000         | 14         |
| Doncaster PFI   | 10,773         | 8          |
| <b>Total</b>    | <b>141,173</b> | <b>100</b> |

All of the PWLB debt is fixed rate. As such there is no risk to the amount of interest payable from interest rate fluctuations. The interest payable is therefore a function of the maturity profile and future interest can be forecast accurately.

The £20m of market loans include an option for the lender to change the interest rate periodically on specified call dates, typically every 6 months. As the interest rates currently being paid on these loans range from 4.50% to 4.95% it seems most unlikely in the current low interest rate environment that the option will be exercised. Future interest can therefore be forecast with a good degree of certainty.



This page is intentionally left blank

## Mayoral Combined Authority Board

15 November 2021

### Budget and Business Plan Development 2022/23 Update

---

|   |                    |
|---|--------------------|
| <b>Is the paper exempt from the press and public?</b> | No                 |
| <b><i>Reason why exempt:</i></b>                      | Not applicable     |
| <b>Purpose of this report:</b>                        | Discussion         |
| <b>Is this a Key Decision?</b>                        | No                 |
| <b>Has it been included on the Forward Plan?</b>      | Not a Key Decision |

---

**Director Approving Submission of the Report:**

Gareth Sutton, Chief Finance Officer/s73 Officer

**Report Author(s):**

Gareth Sutton

Gareth.sutton@southyorkshire-ca.gov.uk

---

**Executive Summary**

This report provides an update to the initial budget and business plan report that was presented to the Board on the 20<sup>th</sup> September. The report provides the latest information on passenger transport demand, assumed inflationary pressures, and the latest information that is available on likely funding.

Taking these forecasts and the engagement sessions held with the South Yorkshire Directors of Finance, the report provides proposals on the transport levy and local contributions.

**What does this mean for businesses, people and places in South Yorkshire?**

The MCA's financial plan, as manifested through its budget, provides the resource to deliver upon South Yorkshire's aspirations. The developing business plans and accompanying budgets will determine how, where, and to what level the MCA invests in the region in the coming years and will set out how that investment is to be funded.

**Recommendations**

1. Note the latest budget assumptions provided;
2. Note the proposal to freeze the transport levy at existing levels; and,

3. Note the proposal to freeze local contributions at existing levels.

## **Consideration by any other Board, Committee, Assurance or Advisory Panel**

None

---

### **1. Background**

- 1.1 At its 20<sup>th</sup> September meeting the Board received a report that set out how the MCA would develop its business plan and accompanying budget for financial year 2022/23.
- 1.2 That report set out assumed pressures, potential opportunities, and the areas of uncertainty that were making planning difficult at that stage.
- 1.3 This report develops on those existing themes, providing the latest information on key budget variables such as forecast demand, available funding, and the assumed slippage of activity from the current year to the next. The report further considers the feedback received from engagement with the South Yorkshire Directors of Finance group.
- 1.4 The report notes the prevailing uncertainty on passenger transport demand, and the implications for both commercial sustainability and the MCA's role in supporting an appropriate level of service.
- 1.5 The report further notes forecast inflationary pressures and the impact that will have on the budget in the short-term, and the wider impact on medium-term sustainability.
- 1.6 Noting the inherent uncertainty that resides around the government's willingness and ability to support the revenue investment aspirations contained in the Bus Service Improvement Plan, the report acknowledges that a baseline plan will be required that could be flexed once greater certainty is available.
- 1.6 The report recognises the likely movement of significant amounts of funded capital activity from the current year to the next, and the implications for capacity as existing activity is met by that arising from new funding streams.
- 1.7 The report reemphasises sustainability concerns across the MCA's financial activity, noting reliance on time limited grant streams and finite reserves to support core activity. This issue is particularly prominent with the MCA's local transport activity and across its Business Growth theme.
- 1.8 Finally, the report considers initial outcomes from the Spending Review, which reported on the 27<sup>th</sup> October. The report notes that whilst the Spending Review provides some high-level messaging it may be some weeks before the details of Department level spending decisions are known.
- 1.9 In consideration of the latest information the report proposes that for planning purposes it assumed that both the transport levy and local subscriptions are held at their existing levels. This assumption would accord with those made by the four

precepting authorities. The report also notes the proposal not to set a Mayoral precept for the year.

- 1.10 The report notes the proposal to offer one-to-one sessions with the Leaders in November/December when, hopefully, a clearer view of the Group's finances are available following the Spending Review.
- 1.11 The outcome of those discussions will then be fed into final preparations for the levy setting at the Board's meeting on the 24<sup>th</sup> January. Budget development will continue ahead of the final approval date on the 21<sup>st</sup> March.

## **2. Challenges and Assumptions**

- 2.1 Developing business plans and budgets for the new financial year remains a challenge for the MCA and partners alike. Without a clear view on how the pandemic and governmental and societal response will evolve over the coming months, it is difficult to derive any certainty.
- 2.2 In this context this report provides an update on the key challenges identified and working assumptions for each part of the MCA Group, but noting that adopted plans will need to be responsive to the emerging challenges.

### **South Yorkshire Local Transport Authority Activity**

- 2.3 As noted in the initial budget development report, financial pressures fall into two areas:
  1. Those related to the ongoing impact of the pandemic; and,
  2. Those issues related to the pre-pandemic decline in patronage, inflationary pressures, and the MCA's use of a finite body of revenue reserves to support the levy.
- 2.4 In the immediate term the key challenge in this area remains the commercial viability of the transport network. Viability is likely to be influenced by three principal factors in the new year:
  1. The potential for further restrictions over the winter and/or spring;
  2. Societal behaviour, particularly around the return to the office and pre-pandemic retail and leisure habits; and,
  3. The commitment of government to further support, whether from recovery funding or through BSIP mechanisms
- 2.5 Since the last reporting date, and as restrictions have lifted, patronage has improved considerably. Bus patronage has grown by c. 50% to 75% of pre-Covid levels, whilst tram patronage has increased by c. 85% to 74% of pre-Covid levels.
- 2.6 These increases are welcome and edge services back towards commercial viability. However, the gap to pre-pandemic levels of c. 25% across modes continues to represent a real concern, and with the current government support packages due to expire in early April 2022 the risk that operators withdraw unprofitable services remains prominent.

- 2.7 In the event of a cessation or reduction in government support to operators before patronage recovers to sustainable levels, the MCA is likely to see calls for increased local financial support via subsidy to services or subsidy to users.
- 2.8 Initial forecasting undertaken within SYPTÉ assumes that patronage will likely not recover beyond 80% of pre-pandemic levels on all modes. This recognises the pre-pandemic trends in patronage decline, the likely longer-term adoption of behavioural changes such as online retail and work-from-home patterns, and latent concern on the use of public transport amongst some user groups.
- 2.9 Patronage at those levels is likely to prompt operators to take commercial decisions to begin withdrawing unprofitable services. In this event, the MCA could consider buying back withdrawn services. This involves the MCA effectively subsidising the cost of individual services, with a risk share between the operator and the MCA. The MCA tenders for services with operators bidding based on the subsidy they assume is required to return a profitable service.
- 2.10 The uncertainty around demand (patronage) within the public transport market, coupled with price inflation and labour market pressures, is likely to mean that the risk appetite for the delivery of services amongst operators will be low. This will inevitably drive up the price of the subsidy the MCA has to pay to allow these services to be delivered.
- 2.11 On this basis forecasting suggests that the cost alone of maintaining the existing services currently bought back from operators (not including temporary DfE funded school routes) could increase in cost on a range of £3m-£4m. At the lower level this roughly equates to potential inflation pressures of c.£1m and patronage deficits that would need to be made good of c. £2m.
- 2.12 However, analysis shows that at 80% patronage there will be a further shortfall of pre-pandemic public transport system income levels of c. £20m.
- 2.13 The scale of this deficit is beyond the region's ability to address without national support. The Spending Review offered little in comfort that government would maintain its existing support packages, and though BSIP activity may prime additional demand, it is likely that the MCA will need to consider prioritisation of routes to be considered for buy-back set against affordability envelopes.
- 2.14 Affordability will be shaped by the MCA's wider cost-base, including the cost of supporting the national concessionary travel scheme. Initial forecasts suggest that reduced patronage in this cohort will generate pre-inflation savings in the region of £5m.
- 2.15 This saving, along with the earmarked 'Protection of Priority Services' reserve (£7m), is available to provide a bridge to a more commercially sustainable network and the outcome of the MCA's BSIP proposals but is, alone, insufficient to protect the current level of service.
- 2.16 These macro pressures are also likely to be exacerbated by the inflationary environment. With the Spending Review suggesting that inflation will peak above 4% this year, there is now an expectation that pay and price inflation will increase above previous forecasts. The cumulative impact of this is expected to be c. £0.50m

on non-fare items alone. Budget challenge will attempt to mitigate this pressure, but there is a likelihood that an effect will be felt in the coming year and beyond.

The South Yorkshire transport budget is also exposed to pressures from potential loss of funding. Key sources of funding at most risk currently are:

- Rail Administration Grant and Bus Services Operator Grant (c.£2.5m combined p/a)
- Bus departure charges (c.£0.90m p/a)
- Rent from Interchange tenants (c.£0.40m p/a)

- 2.17 Immediate decisions on how to address the risk of priority services being withdrawn will also need to be considered in the context of the longer-term trajectory of the MCA's transport financial strategy.
- 2.18 The existing, pre-pandemic, financial plan for South Yorkshire transport activity was predicated on the release of revenue reserves linked to ongoing reductions in the Group's cost base as expensive legacy debt was retired. This strategy meant that in the medium-term the transport levy could be held at artificially low levels, with reserve requirements eventually being reduced until the budget broke even.
- 2.19 This strategy is now being undercut by inflation running above expectation and the likelihood of additional costs being incurred from 2024 onwards when the current tram concession ends.
- 2.20 Forecasting shows that if patronage returns to pre-pandemic levels the earmarked levy reduction reserve would be exhausted by 2026 with the budget running with a deficit reserve requirement of around £3.5m. This deficit would need to be made good with either cost reductions or levy increases of c. 7%.
- 2.21 The forecast decline in patronage does, however, mean that if patronage does not recover to pre-pandemic levels the savings made on the national concessionary scheme could be used to support the existing strategy, with falling concessions costs offsetting the need for reserve contributions.
- 2.22 Accordingly, in the longer-term the use of potential savings generated from concessionary fares becomes a policy issue with two basic options:
1. Reinvest into the network to support current under threat provision; or,
  2. Hold back to offset pressures that may precipitate a future levy increase.
- 2.23 In the medium to long term the MCA will also need to consider how it reacts to the end of the current tram concession in 2024. For almost a decade the current concession has insulated the MCA from the financial risks associated with the tram, and whilst the tram has in previous years run a profit in the recent past it has incurred a deficit.
- 2.24 The MCA's adopted financial plan assumes that from 2024 the MCA will need to contribute to the costs of the network at £1m p/a. At this stage, this represents a prudent planning assumption, but the MCA will need to consider both whether this cost can be mitigated or indeed whether it is sufficient for the potential risk.

#### Adopting a Baseline Plan

- 2.25 As a planning assumption this report recommends a continuation of the short-term policy adopted for the current financial year.
- 2.26 This policy is predicated on the following core points:
- The transport levy is held at current levels to maintain existing spending power (albeit impact by inflation);
  - Budget challenge seeks to offset operational inflationary pressures wherever possible;
  - Should Government recovery funding continue at existing levels, the MCA continues to match with concessionary fares paid at pre-Covid levels;
  - Should Government funding cease or be reduced, the MCA ends the current concessionary fare support with savings used to supplement reserves to protect priority services in the short-term; and,
  - Earmarked reserves are available to cushion the impact of operator withdrawal, providing a bridge to a more sustainable network.
- 2.27 Adoption of this approach is, again, necessarily short-term but will afford the MCA a baseline budgeting position from which to better assess demand, Government funding intentions, and the MCA's own ability to support the network into the future.

#### BSIP & Investment Opportunities

- 2.28 The BSIP represents the MCA's aspirations for the South Yorkshire bus network and is appropriately ambitious. The costs of delivering those aspirations are inevitably significant, with over £470m of investment required.
- 2.29 Government have previously announced £3.2bn of support for bus investment, but the MCA now understands that the available BSIP funding is likely to be around £1.2bn of which only £600m is for revenue investment.
- 2.30 In this context, it is likely that the full quantum of BSIP investment will not be met and alternative resource for identified priorities will need to be considered.
- 2.31 The scale and longevity of commitment required will shape where alternative sources of resource could be found, but could include funding in full or in combination from:
1. Additional Levy Contributions
    - a. Levy contributions currently contribute £3.96m to the discretionary child concessions and £5.82m to tendered bus services
    - b. The MCA recognises the challenges faced by local authorities in balancing additional contributions with other pressures, and notes the potential requirements for additional levy requirements to meet existing activity
    - c. A 1% levy increase generates c. £540k p/a
  2. Mayoral Precepts
    - a. The Mayor, with the support of the MCA, could choose to raise a precept to support the costs of investment
    - b. This is the route that has been taken in Greater Manchester to fund a number of transport investments
    - c. The Mayor and the MCA have previously chosen not to pursue precepts as a means of supporting time-limited transport investment
    - d. A precept of £10 would generate c. £3.58m p/a
  3. Gainshare funding

- a. The MCA is in receipt of a £12m annual gainshare revenue funding settlement as part of its devolution deal
  - b. Subject to the MCA's adopted Assurance Framework, elements of BSIP activity could be considered for funding through this route
  - c. Deployment of gainshare revenue would need to be considered in the context of competing priorities for revenue resource from across the breadth of the MCA's activity, in particular from those areas such as Business Growth that do not have an alternate dedicated funding stream
4. Reserves
- a. The MCA forecasts to have c. £42m in transport revenue reserves at the end of the financial year
  - b. Of these, only £5m is held as unearmarked resource, with others pegged to specific issues – such as holding the levy down – or specific risks – such as the inflation linked PFI contract – as part of the MCA's refreshed Reserves Strategy adopted in the last budget round
  - c. These reserves are expected to decrease by over half by the end of the decade as the levy reduction is exhausted and reserves held for the Bus Review implementation and tram concession project are drawn down
  - d. Reserves can be used only once, and decommitting them from their existing purpose would require the MCA to consider how it would manage from other means the risks they mitigated

2.32 It is expected that BSIP funding will be announced in January. In the interim, and as part of the overall budget setting process for the year, the MCA will continue to consider how it may support new investment whilst managing the aforementioned financial risks.

### **MCA/LEP Activity**

#### Corporate Resource and Pressures

- 2.33 The MCA's non-transport activity is funded by a shifting array of time-limited, conditional funding streams and a relatively small amount of resource generated from un-ringfenced grant, local contributions and commercial income (£5m).
- 2.34 At the time of writing there was significant uncertainty across most of these income streams:
- The £1m Mayoral Capacity Fund that currently resources the Mayoral Office costs and Mayoral non-programme priorities is not committed beyond March 2022;
  - The £500k LEP capacity funding that resources much of the MCA's core costs is at risk and tied to the national review of LEPs being undertaken by Government;
  - Enterprise Zone income (£2m) remains volatile; and,
  - Commercial income streams related to property trading surpluses, income from loans to business, and income generated from cash held on deposit remain disrupted and depressed.



- 2.35 Concerns principally centre on the loss of the MCF and LEP funding. Losing £1.5m here would represent 30% of the un-ringfenced funding available to the MCA, with no alternate funding stream.
- 2.36 The loss of core income streams may be exacerbated by the loss of capital funding streams from 2022 onwards that have previously been recharged into. With the loss of the Local Growth Fund money and Getting Building Fund resource, some core services which received contributions from programme recharges will now need to flip to new funded programmes or be flexed down to meet a new budgetary envelope.
- 2.37 It is likely that in the event of funding being withdrawn without a successor income stream the MCA will be required to pare back certain discretionary areas of activity exacerbating existing capacity constraints.
- 2.38 Organisational pressures are likely to arise from pay and price inflation. At this stage there is uncertainty on whether the Government will reimburse MCA's for employer NI contributions, whilst indexed linked contracts, pay awards, and new commissions into market are all likely to be in excess of forecast. Initial forecasts suggest that pay inflation alone will add c.£200k.

#### Business Growth and Recovery Resource and Pressures

- 2.39 This area continues to be funded from a number of capital and revenue grant funding streams that are not sustained into the future. How to fund Business Growth activity into the medium-term is a significant planning issue.
- 2.40 Activity in 2022/23 will likely include slipped gainshare funded activity associated with the Renewal Action Plan. This activity is defined by the funding envelope initially provided (£6.91m) and cannot be sustained into the future without further funding being released.
- 2.41 Significant support to the local economy through the South Yorkshire Business Support Scheme will conclude in the current year, with all Additional Restrictions Grant funding to be used by March 2022. No successor scheme to this emergency and recovery funding has been announced.
- 2.42 Made Smarter grant funded activity is also now likely to slip into the new financial year (£0.89m). This activity is a pilot scheme with no commitment beyond the existing allocation.
- 2.43 The Business Growth area may also see activity slip into the new year relating to capital business investments supported from the residual LGF funding held by the MCA. At this time the pipeline of investable propositions significantly exceeds the residual LGF resource (£4.37m), and so decisions will be required as part of the Investment Strategy work on how that pipeline may be addressed.
- 2.44 Business support activity has to-date been supported by Growth Hub grant provided by Government (£0.41m). As in previous years, this grant is committed on a rolling annual basis. At the time of writing there was no certainty on whether this funding would be recommitted.

- 2.45 Activity across the thematic area is also supported by reserves. At outturn the MCA expects to have c. £2m in reserves earmarked to this area. This reserve was created from the initial £4m Growth Fund revenue allocation and has been drawn on and replenished since 2015. This reserve will sustain services for a number of years but will eventually be exhausted without – as yet - a successor funding stream being identified.
- 2.46 Finally, the Spending Review now suggests that the Shared Prosperity Fund – that may have provided funding for business activity – is still some way off, with funding unlikely to be received in the new year.

#### Housing and Infrastructure Resource and Pressures

- 2.47 Financial activity within this thematic area is dominated by capital investment funded from the Getting Building Fund, Brownfield Housing funding, and gainshare.
- 2.48 Whilst it is anticipated that the Getting Building Fund programme will hit requirements to defray all final year funding within the current financial year, the Budget Revision 2 report notes significant slippage of c. £17m Brownfield activity into the forthcoming year.
- 2.49 The MCA has engaged government on this slippage, noting the requirement to have defrayed £20m by March 2022. There is a latent risk that underperformance against the target may impact upon the MCA receiving the full balance of £20m of funding.
- 2.50 The Budget Revision 2 report also notes that the gainshare funded 'Place' and flooding investments are now also likely to largely fall into the new financial year. This investment totals £26.9m in aggregate.
- 2.51 Outside of the MCA's direct purview, resource also continues to be deployed through the JESSICA investment fund. This fund is now largely allocated, and whilst loans granted may be returned to the fund into the future there is no successor funding source available.
- 2.52 Revenue funding for this thematic area is in short supply, largely centred on core funding for teams and the Brownfield revenue accelerator funding. This latter funding is now deployed in full, with expenditure expected to be incurred into the next financial year.
- 2.53 The Spending Review offered little in the way of funding commitments for infrastructure investment beyond that allocated to transport through the CRSTS programme. Announcement of a further £300m for Brownfield housing was confirmed, though it is unclear how this will be allocated.
- 2.54 Decisions on how to fund non-transport infrastructure investment into the future will be a central issue for the developing Investment Strategy.

#### Skills, Education & Employment Resources and Pressures

- 2.55 Financial activity in this area is centred on the Adult Education Budget, supplemented by gainshare funding for the apprenticeship and KickStart South Yorkshire proposals. This activity is supplemented in-year with the interim Skills Bank programme and the Working Win health led trial.

- 2.56 The Adult Education Budget represents sustainable funding that will continue indefinitely as part of the region's devolution deal. However, sustainability concerns are an issue for the other principal spheres of activity: gainshare funded activity is defined by the previously agreed envelope (£7.2m); the Skills Bank programme is funded from reserves (£7m); and the Working Win programme is funded from a discrete grant from Government.
- 2.57 The majority of gainshare funded activity is now likely to slip into the new financial year, whilst the Skills Bank successor programme will also be funded from reserve in the new year. At this stage there is no commitment from government to a continuation of the Working Win programme.
- 2.58 At the time of writing there was little clarity on how the £3.8bn of additional funding announced through the Spending Review for skills and learning would be distributed.

#### Strategic Transport Resources and Pressures

- 2.59 The non-LTA transport functions of the MCA will likely see a significant capital programme in the new financial year.
- 2.60 Slippage from the existing Transforming Cities and Active Travel programmes will be met by the first year of the City Region Sustainable Transport Settlement programme, which may stand at over £100m in 2022/23. Of this value, the majority of the CRSTS funding will relate to the final year of the TCF programme and the highways maintenance grants previously received.
- 2.61 Grant funded activity is supplemented with gainshare bus investment from the £3.17m funding made available for shelter upgrades and the electrification of parts of the community transport fleet.
- 2.62 The region has not been successful, however, in its bid for Levelling Up Funding to enhance that gainshare investment. This leaves the MCA with a shortfall of c. £50m for previously described priority investment in bus infrastructure. In partial mitigation of this, the MCA has received £12m of capital funding related to its previous Growth Deal. This funding is ringfenced to transport activity.
- 2.63 Whilst the MCA will be eligible to bid into further rounds of LUF, and capital funding may be made available through BSIP, questions on how or whether to supplement the existing transport funding will need to be considered as part of the Investment Strategy activity.
- 2.64 Revenue funding for strategic transport activity is limited to the grant capability funding made available for Active Travel and the revenue funding made available by the Department for Transport to develop BSIP proposals and CRSTS schemes (£5.2m).
- 2.65 This latter funding is intended to cover the first CRSTS period (5 years) and so could be used for feasibility work on the existing programme, or to begin to develop a pipeline of investable propositions that can be matched to the next round of CRSTS funding.

## 2.66 **Conclusion and Next Steps**

This report presents the latest information available at the time of writing. In order to mitigate the uncertainty surrounding key sources of funding, business planning and budgeting will proceed on the basis of the planning assumptions set out in this report.

We will continue to consult and engage with South Yorkshire Directors of Finance, as well as Leaders and Chief Executives, in the coming months. As further information becomes available, we will update key stakeholders accordingly.

## 3. **Options Considered and Recommended Proposal**

### 3.1 **Option 1**

This is a discussion report.

### 3.4 **Option 1 Risks and Mitigations:**

N/A

### 3.5 **Option 2**

This is a discussion report.

### 3.8 **Option 2 Risks and Mitigations**

N/A

### 3.9 **Option 3**

This is a discussion report.

### 3.12 **Option 3 Risks and Mitigations**

N/A

### 3.13 **Recommended Option**

This is a discussion report.

## 4. **Consultation on Proposal**

4.1 N/A

## 5. **Timetable and Accountability for Implementing this Decision**

5.1 Decisions on the levy must be made by the MCA Board's meeting on the 25<sup>th</sup> January.

5.2 Decisions on the final revenue and capital budgets must be made at the Board's meeting on the 22<sup>nd</sup> March.

## 6. **Financial and Procurement Implications and Advice**

6.1 This is a financial report, the details of which are presented in the main body.

## 7. **Legal Implications and Advice**

7.1 None

**8. Human Resources Implications and Advice**

8.1 None.

**9. Equality and Diversity Implications and Advice**

9.1 None.

**10. Climate Change Implications and Advice**

10.1 None.

**11. Information and Communication Technology Implications and Advice**

11.1 None

**12. Communications and Marketing Implications and Advice**

12.1 None.

**List of Appendices Included**

None

**Background Papers**

None



## Mayoral Combined Authority Board

15 November 2021

### Autumn Budget and Comprehensive Spending Review – Implications for the MCA

|   |                |
|---|----------------|
| <b>Is the paper exempt from the press and public?</b> | No             |
| <b>Purpose of this report:</b>                        | Discussion     |
| <b>Funding Stream:</b>                                | Not applicable |
| <b>Is this a Key Decision?</b>                        | No             |
| <b>Has it been included on the Forward Plan?</b>      | No             |

**Director Approving Submission of the Report:**  
Gareth Sutton, Chief Finance Officer/s73 Officer

**Report Author(s):**  
Paul Johnson  
Paul.johnson@southyorkshire-ca.gov.uk

#### Executive Summary

This report provides a summary of the recent Budget and Spending Review, looking at the impact on South Yorkshire and considering the implications for the MCA.

#### What does this mean for businesses, people and places in South Yorkshire?

Funding announcements from the Budget and Spending Review impact places, businesses and people in South Yorkshire.

#### Recommendations

- The Board considers the paper and provides any steer it deems appropriate.
- The Board considers whether further engagement with central government regarding the relatively low levels of funding for MCAs to make levelling up a reality in South Yorkshire, particularly in relation to the funding announced for the UK Shared Prosperity Fund, is worthwhile and if so how it would like this to occur.

#### Consideration by any other Board, Committee, Assurance or Advisory Panel

The LEP Board discussed this on 4 November.

---

## 1. Background

- 1.1 The Autumn Budget and Comprehensive Spending Review (CSR) was delivered to the House of Commons by the Chancellor of the Exchequer on Thursday 27 October. Prior to this, the Mayor sent a letter to the Chancellor as part of the CSR consultation. This outlined how to level up South Yorkshire with proposals to create a stronger, fairer, and greener economy.

## 2. Key Issues

- 2.1 This was a Budget for Health, Innovation, Infrastructure, and Skills. It was not a green Budget, nor was it a Budget for the North. Many funding schemes crucial to the North were either delayed or overlooked.

Main funding announcements relevant to the MCA:

### Transport Investment

£570m for improving transport infrastructure including investment in active travel, electric buses, EV charging infrastructure, and the renewal of Supertram. However, the £3bn for buses, trailed for over a year, seems to only be £1.2bn across England. This will leave the MCA underpowered in relation to the Bus Service Improvement Plan. Furthermore, there is still no announcement on the Integrated Rail Plan, which is critical for transforming the North's transport infrastructure and economy.

### Levelling Up Fund

- Building a major waterfront extension in Doncaster (£18.6m)
- New hospitality and visitor centres at Wentworth Woodhouse in Rotherham (£20m)
- Finishing the Culture and Leisure Quarter in Rotherham Town Centre (£19.6m)
- Delivering the long-planned Centre for Child Health Technology in Attercliffe (£17m)
- Regenerating Castlegate Quarter in Sheffield (£20m)

Five South Yorkshire projects, totalling 5.8% of the total national budget, were successful.

### UK Community Renewal Fund and UK Shared Prosperity Fund

UKCRF – eight out of 11 South Yorkshire bids were successful. £8.2m has been secured representing 6.5% of total budget for England. UKSPF funding: £400m in 2022-23; £700m in 2023-24; £1.5bn in 2024-25. No further detail about the scheme was announced.

More detail about announcements relevant to the MCA is in a table in the appendix.

- 2.2 These are the areas that were covered in the letter to the Chancellor and how the Budget announcements relate to MCA asks:
- **An enterprise and innovation economy** – potentially good outcome. Significant funding was assigned to innovation, but the detail of how this will be spent is still to be decided. It is crucial that this is targeted at places like

South Yorkshire instead of the previous focus on the Golden Triangle of London, Oxford and Cambridge.

- **Skills** – potentially significant announcement, with a focus on vocational and adult education; however, the role of MCAs in how this is deployed is currently uncertain.
- **Sustainable Transport** – mixed picture. Acceptable outcome regarding the CRSTS, but there was concerning news about the quantum of bus funding, potentially impacting on our Bus Service Improvement Plan.
- **Flooding** – good outcome with additional funding.
- **Funding for South Yorkshire hospitals** – not mentioned.
- **Levelling Up funding** – five successful south Yorkshire projects, disappointing news about the size of the UKSPF.

2.3 Overall, despite the rhetoric and some welcome funding announcements, there is a clear lack of funding – particularly regional investment – and devolution to make levelling up a reality. This was a moment to empower MCAs and provide the funding to start to deliver levelling up – but for now, it seems the Government has missed this opportunity. The Levelling Up White Paper may redeem the situation.

#### 2.4 **Financial implications for the MCA**

The Chancellor opting to impose limits on his ability to borrow for day-to-day expenditure is significant, as this could mean tightening/ongoing scarcity of revenue funding for MCA activity.

The potential BSIP pot looks disappointing and coupled with the absence of support for ongoing transport recovery funding, this could be disastrous. The public transport network could begin to contract from April 2022 if funding is not in place.

The announcements do not yet provide clarity or comfort on core funding. Therefore the existing capacity challenges across LAs and the MCA may be exacerbated.

Despite the £570m transport settlement, the other transport announcements for the MCA were concerning. Missing out on the LUF bid was disappointing, but South Yorkshire – as a region - did relatively well out of this with five projects for three Local Authorities. However, given that many priority areas didn't receive any funding in this round, there are doubts about the potential success of bids for future rounds of LUF, given the likely demand. The lower than expected investment for buses means the MCA could be underpowered in relation to the Bus Service Improvement Plan.

The government's successor to EU structural funds (UKSPF) is a key funding pot for levelling up and an important source of funding for the MCA, with monies expected to come to MCAs. Government promised to match previous EU commitments for the UK (c.£1.5bn/year), but the announcements only amount to £1.3bn for the first three years. With guarantees in place for the three UK nations and Cornwall, SYMCA is unlikely to receive the funding it needs (and would have gained from the EU), from the UKSPF for the next few years. The Board could debate if the MCA wants to push back on the Government's funding for UKSPF and consider how best to deploy these future funds. The detail isn't out yet, but if it is devolved and it is a small pot of money, it might be best served to combine this with our Investment Strategy rather than a small, standalone funding project.



### **3. Options Considered and Recommended Proposal**

3.1 Not applicable

### **4. Consultation on Proposal**

4.1 Not applicable

### **5. Timetable and Accountability for Implementing this Decision**

5.1 As soon as possible after this meeting.

### **6. Financial and Procurement Implications and Advice**

6.1 Click or tap here to enter text.

### **7. Legal Implications and Advice**

7.1 Not applicable

### **8. Human Resources Implications and Advice**

8.1 Not applicable

### **9. Equality and Diversity Implications and Advice**

9.1 Not applicable

### **10. Climate Change Implications and Advice**

10.1 There was a disappointing – and surprising – lack of announcements and funding for Net Zero projects.

### **11. Information and Communication Technology Implications and Advice**

11.1 Not applicable

### **12. Communications and Marketing Implications and Advice**

12.1 There has been engagement with the Mayor's team on the implications of the Budget and more could follow the outcome of this discussion.

### **List of Appendices Included**

1 Implications of the Budget by relevant theme for the SYMCA

### **Background Papers**

None

Levelling Up

| Key Announcements   | Other organisations' response | Implications for SYMCA   |
|---|-------------------------------|--|
| <b>LUF</b>  |                               |  |
| Building a major waterfront extension in Doncaster (£18.6m)   |                               | It's positive for South Yorkshire as a region to get five projects, totalling 5.8% of the total budget for Britain. However, the MCA's bid was not successful. Sheffield will likely be pleasantly surprised as – like Barnsley – it wasn't classed as a priority one area.  |
| New hospitality and visitor centres at Wentworth Woodhouse in Rotherham. (£20m)   |                               |  |
| Finishing the Culture and Leisure Quarter in Rotherham Town Centre. (£19.6m)  |                               |  |
| Delivering the long-planned Centre for Child Health Technology in Attercliffe. (£17m)   |                               |  |
| Regenerating Castlegate Quarter in Sheffield. (£20m)  |                               |  |
| <b>UKSPF</b>  |                               |  |
| £2.6bn over the next three years, with the current £1.5bn only being met in 2024-25. This leaves a significantly reduced budget, which is made worse by a commitment to match previous allocations to the nations and Cornwall. The skills project Multiply (£560m) will come out of this budget. |                               | <p>Even excluding SY missing out on a potential windfall from an EU reclassification, there will be £2bn left for local areas across the UK for the next three years for UKSPF (the amount that isn't allocated for Multiply). Matching it on previous allocations would have been £4.5bn. So, we're short of £2.5bn for local areas to potentially make decisions on, and there's still no further detail on its design nor how it will be distributed, but rumours are that it will come to MCAs. With Cornwall and the nations receiving previous amounts, this means that other areas will likely be fighting over scraps. All of this means that there will be less flexibility than we were used to under LGF and cash is probably for defined activity.</p> <p>This leaves us with a few potential actions, two short-term and one medium-term.</p> <ol style="list-style-type: none"> <li>1. Lobby Government on why Cornwall received a commitment to its previous, huge allocation. I've emailed Tees Valley (the</li> </ol> |

|  |  |  |
|--|--|--|
|  |  | <p>other area than SY that would have likely been reclassified) to see if they're interested in a joint response, which might improve our chances with a Tory Mayor. If not, it could be one for Dan to question them on.</p> <ol style="list-style-type: none"> <li>2. The size of the pot and the centralisation of the fund (with Multiply being included) is one to maybe push Neil O'Brien on.</li> <li>3. We consider how to best deploy these funds. The detail isn't out yet, but if it is devolved and it is a small pot of money, it might be best served to combine this with our Investment Strategy rather than a small, standalone funding project. This could be one for Management Board to consider.</li> </ol> |
|--|--|--|

## Transport

| Key Announcements  | Other organisations' response | Implications for SYMCA   |
|--|-------------------------------|--|
| <ul style="list-style-type: none"> <li>• £5.7bn will be allocated for five-year transport settlements for the regions, while £1.2bn of new funding will go towards transforming bus services to deliver London-style journey times, fares and number of services.</li> <li>• £21bn spending on roads</li> <li>• £46Bn on railways</li> <li>• £5bn for buses and walking</li> </ul> |                               | <p>Until the IRP is published, the future of the North's economy is shrouded with uncertainty.</p> <p>BSIP seems likely to be a big issue over the next few days given the confirmation from UTG that we're bidding for a share of £600m of revenue. Which is not a lot for the entire country.</p>  |
| <p>£570m to South Yorkshire for schemes such as starting the renewal of the Supertram.</p>   |                               | <p>We did well on CRSTS - £570m is a solid outcome. However, bus investment is looking terrible. The £3bn for buses trailed for over a year seems to only be £1.2bn across England. We'll be woefully underpowered in relation to our Bus Service Improvement Plan. We also didn't receive our Levelling Up Fund bid, which is a big disappointment.</p> |

## Skills

| Key Announcements  | Other organisations' response   | Implications for SYMCA   |
|--|---|--|
| <ul style="list-style-type: none"> <li>• Today's Spending Review allows for 4% increase in school spending per pupil in 2022, and 1% per year in 2023 &amp; 2024.</li> <li>• A £3.8bn increase on skill spending, an increase of 42%.</li> <li>• A 29% real terms increase in adult skills funding from 2019-20 to 2024-25.43 This will expand the Lifetime Skills Guarantee so more adults in England can access funding for in-demand Level 3 courses and scale up Skills Bootcamps.</li> <li>• Apprenticeships funding will increase to £2.7bn by 2024-25</li> <li>• £1.6bn will provide up to 100,000 16 to 19-year-olds studying for T-levels – technical-based qualifications</li> </ul> | <p>The aspiration of 'levelling up' is a good one but Government policy on education is achieving the opposite. "Education funding policy is driving money away from areas with greater relative need". (<i>Public Accounts Committee</i>)</p> <p>"With just £2bn added, the Government's plan for education recovery is completely inadequate." (<i>National Education Union</i>)</p> <p>"It's good to see investment in skills rising again after a lost decade of cuts. However, it looks like this only restores some of the previous cuts and so won't be enough to transform Britain into a skills superpower" (<i>Learning and Work Institute</i>)</p> | <p>A good critical take is that this isn't "much of a boast really" as it shows that there's been "A decade and a half without growth"</p> <p>Many of the announcements around adult skills funding are not for us. The Skills Bootcamps, for example, we are involved in support for these but do not manage them directly. However, as big chunks of the new cash were for 16-19 and 19+ (including Multiply – see below), we might want to think about shaping our ask / narrative around this.</p> |
| <p>"Multiply" will be a separate £560m commitment which would aim to see up to 500,000 people receive free personal tutoring or digital training in maths. The Multiply programme will be part of the UKSPF.</p>   |   | <p>The Multiply scheme is likely to come our way and will be in addition to AEB.</p>   |
| <p>Delivery of the commitment to 20 Institutes of Technology across England.</p>   |   | <p>South Yorkshire has a bid in to DfE for an Institute of Technology.</p>   |

## Innovation

| Key Announcements   | Other organisations' response  | Implications for SYMCA   |
|---|--|--|
| <p>£22bn target has slipped from 24/25 to 26/27, but there it is still a huge amount of investment.</p> | <p>"Very welcome commitment to "levelling up" R&amp;D without compromising existing excellence. I thought that govt might be tempted to game the</p> | <p>There is a lot of money for innovation. Details of the mechanisms to achieve this will follow in Levelling Up White Paper. It is important they</p> |

|   |   |   |
|---|---|---|
|   | target by including cost of R&D tax credits. Very pleased that they didn't do this." ( <i>Professor Richard Jones</i> ) | involve co-creation with MCAs to reflect local knowledge of the needs of local economies, rather than being entirely top-down. There's lots still up for grabs, so this could be one to focus our attention on.<br><br>It's vital that a large chunk of this money is directed away from the Golden Triangle and MCAs could have a role in this. SY is well placed to help deliver on levelling up through innovation investment, especially with the plans in development with Paul Collier et al. |
| The £1.4bn Global Britain Investment Fund will funnel money into key innovative sectors by handing out grants to encourage internationally mobile companies to invest in the UK's critical industries, including life sciences and automotive |   |   |
| There is a reform of the system of tax reliefs for investment on research and development in an effort to boost innovation in Britain, while "refocusing" breaks that domestic companies can claim when carrying out research overseas        |   | Should be a boost for private sector innovation, but this needs to be stimulated by a huge public sector investment targeted at weaker economies, like in Germany.  |

## Net Zero

| Key Announcements  | Other organisations' response  | Implications for SYMCA   |
|--|--|--|
| <ul style="list-style-type: none"> <li>£30bn over four years for Net Zero investment.</li> <li>Fuel duty shelved for the 12th consecutive year.</li> <li>50% reduction in domestic air passenger duty, reducing the cost of flying within the UK.</li> </ul> | <p>"We have a commitment of £30bn of public money over 4 years when we in fact need it annually." (<i>NEF</i>)</p> <p>"The commitment to spend billions on road building and continue to freeze fuel duty will come as cold comfort to the many households</p> | In his speech, the Chancellor mentioned climate and net zero three times and cider ten times. This was not a green Budget, and this doesn't appear to be the priority for the Government despite what they've said previously. |

|  |  |  |
|--|--|--|
| Sunak positioned airports as “major regional employers”.   | with no car who continue to be pummelled by rising rail and bus fares.” ( <i>Campaign for Better Transport</i> ) |  |
| Business rate exemptions and relief in England for eligible green technologies to support the decarbonisation of non-domestic buildings. |  | Some of the measures announced have relevance for decarbonising the economy, yet there was little in the way of direct new spending measures announced on the agenda. It is right that Net Zero is still a focus of the MCA, but the Government hasn’t backed up its words with adequate funding. The Net Zero Strategy having been launched last week goes some way to explain the sparse references to Net Zero, but it was still surprising that there weren’t more green announcements. Some specific criticisms have been levelled such as the £3.8bn skills funding is not tightly enough linked to green jobs and skills. |

### Flooding

| Key Announcements  | Other organisations’ response | Implications for SYMCA |
|--|-------------------------------|------------------------|
| <ul style="list-style-type: none"> <li>• £5.2bn to better protect 336,000 properties across England from flooding.</li> <li>• £27m to support flooding incident and emergency response activities</li> <li>• An additional £22m each year for the maintenance of flood defences</li> </ul> |                               |                        |

This page is intentionally left blank



## Mayoral Combined Authority Board

15 November 2021

### Programme Approvals

---

|   |                  |
|---|------------------|
| <b>Is the paper exempt from the press and public?</b> | No               |
| <b><i>Reason why exempt:</i></b>                      | Not applicable   |
| <b>Purpose of this report:</b>                        | Funding Decision |
| <b>Is this a Key Decision?</b>                        | Yes              |
| <b>Has it been included on the Forward Plan?</b>      | Yes              |

---

**Director Approving Submission of the Report:**

Gareth Sutton, Chief Finance Officer/s73 Officer

**Report Author(s):**

Sue Sykes – AD Programme and Performance Unit

Sue.sykes@southyorkshire-ca.gov.uk

---

**Executive Summary**

This report requests the progression of seven schemes, early release of development cost funding subject to conditions to be set out in the Assurance Summaries and delegated authority to enter into legal agreements for the schemes.

Notably, this report details the results of the assurance processes undertaken on three proposed business investments totalling c.£12m. These schemes represent the first of a number of investable propositions that are currently being considered through Assurance processes, with the possibility of further opportunities being brought to the Board in January.

The report recognises that whilst all three proposals meet the threshold for consideration for investment - and would support wider aspirations around the restructuring of the South Yorkshire economy - there is currently insufficient headroom within the MCA's residual LGF allocation (£4.37m) to support all proposals.



The report requests that the Board approve all proposals on their technical merit, consider how the balance of the LGF funding should be deployed, and consider whether alternative funding could be used to support the balance of proposals.

Recognising the potential for further investment opportunities to arise by January and beyond, the report recommends that the Board authorise officers to develop a decision-making framework to support future decisions and give officers license to discuss more sustainable means of investment with prospective applicants beyond simple grant interventions.

### **What does this mean for businesses, people and places in South Yorkshire?**

This report is seeking approval to progress business cases and enter into contract for a number of investment proposals which will support the MCA's aspirations.

### **Recommendations**

The Board consider and approve –

1. Progression of "D0004 - R&D 2025" to full approval and award of £4.8m grant to, a Sheffield based company subject to funding being available and the conditions set out in the Assurance Summary attached at Appendix A1,
2. Progression of "D0011 - Manufacturing, Research and Development" to full approval and award of £2m grant and £3.2m loan to a company looking to locate in South Yorkshire subject to funding being available and the conditions set out in the Assurance Summary attached at Appendix A2,
3. Progression of "D0003 - Accelerate" to full approval and award of £1.98m grant to a Rotherham based company subject to funding being available and the conditions set out in the Assurance Summary attached at Appendix A3,
4. Progression of "West of Doncaster Active Travel" from OBC to FBC and release of development cost funding up to £0.05m to Doncaster Borough Council subject to the conditions set out in the Assurance Summary attached at Appendix B1,
5. Progression of "O50 Sheaf Valley Route" from OBC to FBC and release of development cost funding up to £0.05m to Sheffield City Council subject to the conditions set out in the Assurance Summary attached at Appendix B2,
6. Progression of "City Centre to Attercliffe and Darnall Active Travel" from OBC to FBC and release of development cost funding up to £1.2m to Sheffield City Council subject to the conditions set out in the Assurance Summary attached at Appendix B3,
7. Progression of "Park Hill Phase 4" project from OBC to FBC to Sheffield City Council subject to the conditions set out in the Assurance Summary attached at Appendix B4
8. Commitment of gainshare funding to support schemes 1 - 3 presented that cannot be progressed from the residual LGF allocation
9. Development of a decision-making framework to support consideration of future investments
10. Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the schemes covered above subject to funding being available

### **Consideration by any other Board, Committee, Assurance or Advisory Panel**

|                                     |                   |
|-------------------------------------|-------------------|
| Assurance Panel                     | 01 September 2021 |
| Assurance Panel                     | 15 September 2021 |
| Assurance Panel                     | 01 October 2021   |
| Transport and the Environment Board | 21 October 2021   |

## 1. Background

### Business Growth Schemes

- 1.1 Investments into business has to-date been funded from the Local Growth Fund (LGF) programme which ended in March 2021. During the programme the MCA entered into several business support arrangements where loan funding was provided. Subsequently some of these loans have been repaid and resulted in a finite fund of £13m becoming available for the financial year. In September 2021, the MCA approved two awards to businesses to be resourced from this fund which totalled £8.63m, leaving a residual balance of £4.37m.
- 1.2 In addition to the three schemes under consideration today, there are a further two schemes that have been submitted into the MCA's Assurance process and seven schemes are also being actively developed. These projects collectively are seeking an additional £51.23m. Further opportunities may arise into the future.
- 1.3 This report details the assurance results of three schemes requesting funding of £11.98m. The proposals require funding facilitated by a mixture of grant and loans. The MCA has entered into non-disclosure agreements with the three applicants for funds, therefore appendices are included within private papers.
- 1.4 This report recognises that whilst the schemes presented meet the threshold for investment and would contribute to aspirations around the restructuring of the South Yorkshire economy, they cannot be resourced in full from the residual LGF allocation.
- 1.5 Accordingly, the report requests that the Board consider how to deploy the residual LGF allocation and recommends that the Board consider both the means and manner in which an alternative funding source – such as future gainshare - could support the balance of requests.

### 1.5 **Progression of schemes to full approval and award of funding**

This report notes the assurance results of three schemes requesting in aggregate £8.78m grant funding and £3.20m loan for three private sector applicants to grow their business in South Yorkshire subject to funding availability.

Two projects are indigenous businesses based in Rotherham and Sheffield who are looking to expand their activity and a third project is a company who is looking to locate within South Yorkshire following grant approval.

The report recognises that whilst the proposals meet the threshold for consideration for investment, there is currently insufficient headroom within the MCA's residual LGF allocation (£4.37m) to support all proposals.

The report recommends that the Board consider allocating alternative funding – such as gainshare - to support those schemes that cannot be resourced from the residual LGF allocation.

The MCA has entered into non-disclosure agreements with the applicants for funds, therefore appendices with the details of the schemes and risks and conditions of funding are included within private papers

## 1.6 Funding Position

Whilst In the current financial year the MCA has significant amounts of funding and considerable underspend positions, the vast majority of its resource is ringfenced by grant conditions to specific activity.

In the current year there is limited funding available for business investments. Available funding can be sourced most readily from the residual legacy LGF funding. Following awards made this year, this funding currently stands at c. £4.37m but may increase over time as LGF business loans fall due for repayment (c.£15m repayable by 2024/25).

The aggregate resource required to support the proposals in this report totals c.£11.97m, consisting of grant and loan. To mitigate against the risk of loans not being repaid, the full £11.97m must be matched to a funding source.

The tables below highlight that the aggregate asks are in excess of the available LGF funding by £7.60m:

| Proposals                          | Grant<br>£m  | Loan<br>£m   | Total<br>£m   | Proposals                | Capital<br>£m | Revenue<br>£m | Total<br>£m   |
|------------------------------------|--------------|--------------|---------------|--------------------------|---------------|---------------|---------------|
| D0004                              | £4.80        | £0.00        | £4.80         | D0004                    | £4.80         | £0.00         | £4.80         |
| D0011                              | £2.00        | £3.20        | £5.20         | D0011                    | £5.20         | £0.00         | £5.20         |
| D0003                              | £1.97        | £0.00        | £1.97         | D0003                    | £1.97         | £0.00         | £1.97         |
|                                    | <b>£8.77</b> | <b>£3.20</b> | <b>£11.97</b> |                          | <b>£11.97</b> | <b>£0.00</b>  | <b>£11.97</b> |
| <b>Funding Available:</b>          |              |              |               | <b>Funding Available</b> |               |               |               |
| LGF                                |              |              | £4.37         | LGF                      | £4.37         | £0.00         | £4.37         |
| <b>Additional Funding Required</b> |              |              | <b>£7.60</b>  | <b>Funding Required</b>  |               |               | <b>£7.60</b>  |

Considered in isolation from one another, only one of the proposals could be resourced from the residual LGF allocation

| <b>Ability to Fund</b> |                   |                 |               |
|------------------------|-------------------|-----------------|---------------|
| Proposal               | Requirement<br>£m | Available<br>£m | Deficit<br>£m |
| D0004                  | £4.80             | £4.37           | -£0.43        |
| D0011                  | £5.20             | £4.37           | -£0.83        |
| D0003                  | £1.98             | £4.37           | £2.39         |

## 1.7 **Additional Funding**

To meet the costs of these proposals in full an additional £7.60m of capital funding is required. In addition to the proposals presented in this report further investment propositions totalling over £50m are progressing through the business case processes. Into the future new business investment opportunities may also emerge.

This report notes that to support the current and emerging asks new resource will be required beyond the residual LGF allocation.

Across all its functions the MCA has limited access to funding that could be applied to Business Growth activity. The delay to the roll out of the Shared Prosperity Fund, and the paucity of other business support funding announced in the Spending Review, has further exacerbated this issue.

Whilst the MCA does expect other loans to be repaid by 2025 (c.£15m) this funding is not readily available.

The report notes that the Board could consider supporting the current and emerging proposals with alternative funding. Most readily available at the scale and flexibility required is the MCA's current and future gainshare resource.

Gainshare could be used to support investment in full, or in part as an underwriting bridging fund until outstanding LGF loans are repaid.

Should the Board wish to consider using gainshare it may wish to further consider adopting funding parameters to ensure that the full pipeline of projects can be considered against a set-criteria. This would be similar to the processes previously adopted for the Business Investment Fund and JESSICA investment vehicles.

Board could also consider how investment opportunities could be met within the principles of gainshare deployment, including sustainability and seeking a return on the deployment of the funding. This will support the principle of recycling funding to other future priorities.

Should gainshare be the only route to support, capital required would come from within the £18m p/a capital allocation, and should proposals require borrowing to accelerate investment ahead of those annual allocations, interest costs would be incurred that would need to be resourced from within the £12m p/a allocation.

## 1.8 **Progression of schemes from OBC to FBC**

The paper is seeking progression from OBC to FBC for 4 projects with the release of development costs for 3 of the projects which are detailed in Appendix B. The total amount of funding requested is £1.3m grant from the Transforming Cities Fund 2 programme. The projects are located within Doncaster and Sheffield.

The assurance summaries include conditions of funding which must be met before contract execution. Full details of the schemes and risks are included in Appendix B

## **2. Options Considered and Recommended Proposal**

### **2.1 Option 1**

Do not approve the recommendations for the business projects in this report due to funding availability.

### **2.2 Option 1 Risks and Mitigations**

Inability to approve the projects presented may result in a slower pace of delivery and potential subsequent loss of jobs to the region.

### **2.3 Option 2**

Approve all recommendations subject to funding availability and the applicant having their private sector match funding in place. All projects should be considered for overage clauses which allow any “super-profits” to be paid back up to the full value of the grant offer

### **2.4 Option 2 Risks and Mitigations**

Risk that projects may be lost to the region due to lack of funding availability. Overage contract clauses could be considered whereby grant is returned to SYMCA if the applicant is highly successful in their venture (e.g. using an overage “super-profit” clause)

### **2.5 Option 3**

Approve all recommendations but look to negotiate on the mixture of grants and loans to maximise future funding availability in regard to the business projects.

### **2.6 Option 3 Risks and Mitigations**

All funding awards associated with the projects have been fully appraised in line with the MCA Assurance Framework to ensure value for money. Any projects approved to develop FBC’s have their costs and funding tested on submission of their FBC alongside financial due diligence of the applicant. Therefore, it may not be possible to secure an improved grant/loan ratio for the SYMCA

### **2.7 Recommended Option**

Option 2

## **3. Consultation on Proposal**

3.1 Once a project has been accepted onto a programme pipeline, the Value for Money Statement is published on the SYMCA website alongside a summary of the activity. This is updated periodically to include links to the key documents for each project and a record of progress. The SYMCA Executive Team collects any external comments on these schemes, and these are considered as part of the appraisal process. Project sponsors are also required to publish business cases on their own websites (or an appropriate summary of the submission) and must consider all comments received and reflect this in the next stages of the application process.

Discussions for these projects has continued with thematic boards during project development.

## **4. Timetable and Accountability for Implementing this Decision**

- 4.1 Subject to the approval of the recommendations, the Head of Paid Service in consultation with the Section 73 Officer and Monitoring Officer will progress to enter into legal agreements with each promoter.
- 4.2 The promoter is responsible for the further development of projects that have gateway approval to the next stage of the SYMCA Assurance process.

## **5. Financial and Procurement Implications and Advice**

- 5.1 Resource available to support the MCA's business investment pipeline currently comes from its residual LGF funding allocation. This allocation stood at c. £13m, and in recent months £8.63m of commitments have been made against it.

The residual balance of £4.37m is available to support the proposals within this report in full or in part. Where schemes cannot be fully funded from the LGF allocation the Board may request the MCA to consider releasing other funding, such as gainshare.

The residual LGF allocation may increase in future years as further loans fall due for repayment.

- 5.2 Alternative funding for Business Growth schemes are in short supply, with no defined grant funding from government, and with the Shared Prosperity Fund now not expected to be implemented in the near-term.
- 5.3 This report notes the benefits of adopting an investment framework for future business investment opportunities, and the benefits of adopting a sustainable approach to business support through financial interventions that provide the potential for the MCA to receive financial return.

## **6. Legal Implications and Advice**

- 6.1 The legal implications of the projects have been fully considered by a representative of the Monitoring Officer and included in the recommendations agreed within the Assurance Summaries as presented in the Appendices. Projects have taken full legal advice regarding subsidy control with legal letters supporting applications included
- 6.2 Prior to awarding the grants, the MCA shall ensure contracts are put in place to ensure the recipients comply with the grant conditions

## **7. Human Resources Implications and Advice**

- 7.1 N/A

## **8. Equality and Diversity Implications and Advice**

- 8.1 Appropriate equality and diversity considerations are taken into account as part of the assurance of the project business cases

## **9. Climate Change Implications and Advice**

- 9.1 A number of the programmes include new and/or enhanced active travel initiatives and improved infrastructure availability thereby shifting private vehicle use to more

sustainable modes of transport. This aims to deliver huge benefits for health and the prosperity of cities, positively contributing to the SYMCA's climate change aspirations.

## **10. Information and Communication Technology Implications and Advice**

10.1 N/A

## **11. Communications and Marketing Implications and Advice**

11.1 The approvals provide positive opportunities to highlight the difference the MCA's investments will make to people and passengers, businesses and places across South Yorkshire and how Members are taking action to support the region's recovery from COVID

### **List of Appendices Included**

- A Progression of schemes to full approval and award of funding
- A1 Assurance Summary – D0004 R&D 2025
- A2 Assurance Summary – D0011 Manufacturing, Research, and development
- A3 Assurance Summary – D0003 Accelerate
- B Progression of schemes from OBC to FBC
- B1 Assurance Summary – West of Doncaster (TCF)
- B2 Assurance Summary – Sheaf Valley Route (ATF2/Gainshare)
- B3 Assurance Summary – City Centre to Attercliffe and Darnall (TCF)
- B4 Assurance Summary – Park Hill Phase 4 (BHF)

### **Background Papers**

N/A

## **Appendix A - Progression of schemes to full approval and award of funding**

### **A.1 Project D0004**

**Appendix A1** provides a summary of the project assurance and the suggested conditions of award.

This project is for £4.8m grant funding to support R&D which will build state of the art infrastructure. The applicant is aiming to secure private sector investors alongside the grant in order to grow an important entrepreneurial business sector.

#### **The Benefits and Outcomes –**

The project will deliver -

- 97 net additional jobs (110 gross)
- £48m over 10 years GVA (Gross Value Added)

Also delivered as part of the scheme (at no cost to the MCA) is the start-up of a Smart Mobility Observatory (SMO) for the city region. This initiative would utilise telematics data to provide key transport data to inform Transport policy and strategies.

The project also makes commitments to social value and wider benefits with a modest monetised benefit of £477k, which would improve the projects value for money position when taken into consideration with the value for money benefits. These include:

- 1144 weeks, over 3 years, of work placements that pay real living wage
- 160 hours per year over 7 years, dedicated to supporting young people into work

The overall value for money is deemed acceptable, the Assurance Summary notes some conditions of approval that will need to be resolved prior to contract execution, these are detailed in full within Appendix A1.

This project cannot be supported in its entirety from the residual LGF allocation and would require additional funding support

### **A.2 Project D0011**

**Appendix A2** provides a summary of the project assurance and the suggested conditions of award.

The applicant is seeking £2m grant funding and £3.2m loan to support establishing a manufacturing facility for battery technology. For the avoidance of doubt, resource totalling £5.2m will need to be earmarked to this project to mitigate the risk of default on future loan repayments.

#### **The Benefits and Outcomes –**

The project will deliver -

- 495 net additional jobs ( gross)
- £161m over 10 years GVA (Gross Value Added)



The project clearly aligns with the Strategic Economic Plan in that it seeks to provide an advanced manufacturing facility for a product with growth potential and the ability to generate higher value-added jobs in the City region

The project reaches the threshold for investment subject to conditions, notably to have confirmed £22.9m match funding prior to entering into the funding agreement and the contract will include clawback clauses related to jobs outcomes.

This project cannot be resourced in full from the residual LGF allocation and would require additional funding support

### A.3 **Project D0003**

Appendix A3 provides a summary of the scheme assurance and the suggested conditions of award.

The applicant is seeking £1.98m grant funding to support R&D (Research and Development) which will enable the creation of three new demonstration manufacturing cells which are planned to secure long term contracts and create jobs

#### **The Benefits and Outcomes -**

The project will deliver:

- 44 net additional jobs (50 gross)
- £14.4m over 10 years GVA (Gross Value Added)

The project also makes commitments to social value and wider benefits  
These include:

- Improving staff wellbeing and mental health
- Social innovation to create local skills and employment
- 192 weeks of Apprenticeship training per year

There is a clear alignment with the SEP and RAP's Core Strategic Outcomes. The project is aligned with the Stronger and Fairer strategic outcomes, with specific outcomes in relation to productivity; enterprise; employment; education; wage levels and health.

The project reaches the threshold for investment with endorsement sought subject to conditions, notably to have confirmed £5.7m match funding prior to entering into the funding agreement and the contract will include clawback clauses related to jobs outcomes.

Considered in isolation from other calls upon the resource, this project could be supported from the residual LGF allocation in full.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

## **Appendix B - Progression of schemes from OBC to FBC and release of development cost funding**

### **B.1 T14 West of Doncaster Active Travel (TCF2)**

**Appendix B1** provides a summary of the project assurance and the suggested conditions of award.

This request is for £4.5m, £4.04m is currently available from TCF2, with development costs to be released of £0.05m to Doncaster Borough Council.

The project will enhance accessibility within the Doncaster urban area so that active travel can become a viable alternative to the private car, specifically –

- In Balby the scheme will provide a combination of off-road cycle facilities and on road quiet ways, in particular enabling cyclists to avoid and cross Balby Road by using a quieter route that runs parallel towards the Doncaster Town Centre
- Around Mexborough the scheme will improve active travel links in and around the town, providing an off-road link from the town to the Trans Pennine Trail
- The Edlington scheme will provide an off-road cycle route which will connect the existing and future planned residential neighbourhoods, to employment opportunities within Warmsworth

#### **The Benefits and Outcomes**

The project will deliver the following outputs -

- 11.1km of improved walking and cycling infrastructure
- 4.6km of new walking and cycling infrastructure
- 1 junction improvements to benefit non-car modes.

The project has a strong strategic rationale aligned to local and national policies. The Assurance Summary notes some conditions of approval that will need to be resolved within the submitted FBC, these are detailed in full within Appendix B1

### **B.2 O50 Sheaf Valley Route (ATF2/Gainshare)**

**Appendix B2** provides a summary of the project assurance and the suggested conditions of award.

This investment is for £2.3m from ATF2/Gainshare, with development costs to be released of £0.05m from ATF2 to Sheffield City Council.

The project will deliver 4.2km of new active travel route between Sheaf Quay and Norton Hammer.

#### **The Benefits and Outcomes**

The project will deliver the following outputs -

- 4.2km of new active travel route



- 2 new crossings
- 5 improved crossings
- 1 new bus gate

The project provides a clear rationale for the investment, relating to the ability of active travel infrastructure to support behaviour change and drive non-transport benefits to society. The Assurance Summary notes some conditions of approval that will need to be resolved within the submitted FBC, these are detailed in full within Appendix B2

### B.3 T8/1&3 City Centre to Attercliffe and Darnall Active Travel (TCF2)

**Appendix B3** provides a summary of the project assurance and the suggested conditions of award.

This request is for £17.99m, £15.38m is currently available from TCF2, with development costs to be released of £1.2m to Sheffield City Council.

The project will develop a core cycle route connecting the city centre towards Darnall, through Attercliffe and the Advance Manufacturing Park corridor. The route also includes a spur to the Olympic Legacy Park, with supporting measures to ensure comfort and safety of cyclists feeding into the core route from adjacent residential and employment areas.

#### **The Benefits and Outcomes**

The project will deliver the following outputs -

- 7.2km of new cycle infrastructure
- 1.6km of new pedestrian infrastructure
- 10 junction improvements
- 1.4km of new bus lanes
- 25 improved crossings
- 25 bus stop upgrades

The project is clear and well evidenced with strong strategic fit. The Assurance Summary notes some conditions of approval that will need to be resolved within the submitted FBC, these are detailed in full within Appendix B3.

### **Progression of schemes from OBC to FBC**

#### B.4 Park Hill Phase 4

**Appendix B4** provides a summary of the project assurance and the suggested conditions of award.

This request is for £5.6m to SCC.

The project is a residential led mixed-use re-development of a Grade II\* listed structure. The project is part of a wider long-term regeneration of the Park Hill flats estate transforming 5 iconic brutalist buildings that have suffered decay and

dereliction into high quality and sustainable homes and vibrant workspaces for people to live, work and play. Phase 4 brings forward a further 95 new homes and shell space for a new cultural hub for S1 Artspace.

### **The Benefits and Outcomes**

The project will deliver the following outputs –

95 homes including 19 affordable,

a further eleven shell units to be fitted out as live/work units, and

c29,000 sq ft of shell space to fit out as artists' studios, workspace and community /learning space,

80 car parking spaces and

external landscaping.

This page is intentionally left blank



## Assurance Summary

### Scheme Details

|                            |  |                          |            |
|----------------------------|--|--------------------------|------------|
| <b>Project Name</b>        | T0014 West of Doncaster Active Travel Link | <b>Type of funding</b>   | Grant      |
| <b>Grant Recipient</b>     | DMBC                                       | <b>Total Scheme Cost</b> | £4,520,631 |
| <b>MCA Executive Board</b> | TEB  | <b>MCA Funding</b>       | £4,520,631 |
| <b>Programme name</b>      | TCF  | <b>% MCA Allocation</b>  | 100%       |

### Appraisal Summary

#### Project Description

*Is it clear what the MCA is being asked to fund?*

**Yes. In 2.2:**

*“In **Balby** the scheme will provide a combination of off-road cycle facilities and on road quiet ways, in particular enabling cyclists to avoid and cross Balby Road by using a quieter route that runs parallel towards the Doncaster Town Centre. The scheme will also link cycles to Balby from neighbouring villages along segregated cycle facilities enabling more residents from Conisbrough, Warmsworth, Loversall and Wadworth a safer, more appealing cycle into the town centre. The scheme aims to take advantage of the existing high levels of walking and cycling in Balby, which is located within one mile of the town centre and is ideal to enable more active travel commuting journeys.*

*Around **Mexborough** the scheme will improve active travel links in and around the town, providing an off-road link from the town to the Trans Pennine Trail. Until recently usage of the Trans Pennine Trail has been in decline and the proposed scheme aims to continue the work already undertaken to reverse this decline in line with Doncaster Cycling Strategy.*

*The **Edlington** scheme will provide an off-road cycle route which will connect the existing and future planned residential neighbourhoods, to employment opportunities within Warmsworth. The facilities will also provide a route towards the proposed Balby scheme providing connections towards Doncaster town centre.”*

**Para 2.3 lists these outputs:**

- 11.1km of improved walking and cycling infrastructure
- 4.6km of new walking and cycling infrastructure
- 1 junction improvements to benefit non-car modes.

#### Strategic Case

*Scheme Rationale*

*Does the scheme have a clearly stated rationale and provide a strong justification for public funding?*

**Yes.**

Para 3.1, “the following are barriers to a coherent network of active travel routes:

- Poor quality or non-existent cycle facilities
- Poor lighting leading to a perception of insecurity
- Insufficient footway width for pedestrians
- Poor quality or non-existent crossing facilities
- Incoherent routes to key education facilities and/or existing active travel routes.”

|   |   |   |  |
|---|---|---|--|
| Strategic policy fit  | <p><i>How well does the scheme align with the strategic objectives of the SEP and RAP?</i></p> <p>Para 3.3 describes how the proposed scheme is aligned to local and national policies with reference to NPPF, LCWIP and SCR's Active Travel Implementation Plan.</p>   |   |  |
| Contribution to Carbon Net Zero   | <p><i>Does this scheme align with the strategic objective to achieve Carbon Net Zero?</i></p> <p>The scheme is stated to be “key” to achieving Doncaster’s target of an 85% reduction in net greenhouse gas emissions by 2030 and zero by 2050 (para 3.3).</p>  |   |  |
| SMART scheme objectives   | <p><i>State the SMART scheme objective as presented in the business case.</i></p> <p>The overall objectives of the TCF programme in Doncaster (per 3.6) are:</p> <ul style="list-style-type: none"> <li>• <b>Improved connectivity</b> for public transport users, pedestrians and cyclists</li> <li>• <b>Segregated cycle facilities</b> to enable more cycle journey stages</li> <li>• <b>Better connectivity</b> for cyclists</li> <li>• <b>More space for people</b> to feel safe from vehicles.</li> </ul> <p>The project’s aims are:</p> <ul style="list-style-type: none"> <li>• <b>To effect a mode shift away from the private car</b> on those corridors where new opportunities are likely to see an increase in demand or where growth could be stifled. Achieved by increasing the number of cyclists using the routes by 68%.</li> <li>• <b>To create a cultural shift</b> towards making cycling and walking the natural choice for shorter journeys. Achieved by increasing the number of walking and cycling trips along the routes by 55% for walking and 68% for cycling.</li> </ul> <p><i>“These objectives should be achieved 5 years following completion of the works. <b>In order to measure these outcomes a survey will be carried out to collect data on the number of cyclists using the scheme.</b> The survey will be carried out on a weekday in June, both one and five years following completion of the works. The data will feed into the two evaluation reports.”</i></p> <p><i>Is there a ‘golden thread’ between the strategic objectives (see 3.2) and the scheme objectives (see 3.6)?</i></p> <p><b>Yes.</b></p> |   |  |
| Options assessment  | <p><i>Is there a genuine Options assessment and is there a clear rationale for the selection of short-listed options and the choice of the Preferred Way Forward?</i></p> <p><b>Yes.</b> It is clear from 3.9 that substantial development work was undertaken in identifying the 2 options taken forward for detailed assessment.</p>  |   |  |
| Statutory requirements and adverse consequences   | <p><i>Does the scheme have any Statutory Requirements?</i></p> <p><b>Yes – TROs.</b></p> <p><i>Are there any adverse consequences that are unresolved by the scheme promoter?</i></p> <p><b>Potentially, yes.</b></p> <ol style="list-style-type: none"> <li>1. Resistance to the priority given to active travel modes from car users.</li> <li>2. Short term disruption to local businesses and the transport network during construction.</li> </ol>   |   |  |
| <b>Value for Money</b>  |   |   |  |
| Core monetised Benefits   | <p><i>[Core BCR – table 4.22]</i></p> <p><b>1.22</b></p>  | Non-monetised and wider economic benefits | <p><i>[Values/description – supplementary form]</i></p> <p><b>Slight Positive:</b><br/>Noise, LAQ, GHG</p> |
| <p><i>In your view do the key assumptions and uncertainties present any significant risks to achieving the value for money?</i></p> <p><b>Yes,</b> the BCR would fall to 1.0 if walking uplift is reduced to +25% from the 55% used. (The 55% was based on a Sustrans study.)</p> | <p><i>Do the key assumptions and uncertainties present any significant risks to achieving the value for money?</i></p> <p><b>No</b></p>   |   |  |
| <b>Value for Money Statement</b>  |   |   |  |

*Taking into consideration the monetised and non-monetised benefits and costs, does the scheme represent good value for money?*

**Low VfM**

**Risk**

*What are the most significant risks and is there evidence that these risks are being mitigated?*

**Apart from approval delay (updated timeline required for FBC):**

| Risk  | Mitigation   | Owner  |
|---|--|--|
| <p>2. <b>Failure to consult, engage and inform stakeholders</b> (internal and external) in a timely and effective manner: Negative impact on the proposals - lack of buy-in and support from stakeholders for the package requires re-design and/or removal of package elements<br/> <b>20% probability</b><br/> <b>High risk</b></p> | <p><b>Engagement will be continuous</b> with key stakeholders, and undertake early consultation with those most directly affected with revised scheme design. Corporate Communications team will be involved</p> | <p>Major Projects / Corporate Communications</p> |
| <p>3. Objections to Traffic Regulation Orders:<br/> <b>25% probability</b><br/> <b>High risk</b></p>  | <p><b>TROs will be prepared and submitted for each individual element</b> of the package. Any objections will be for specific location and minimise the impact of delay of delivery of the package</p>           | <p>Major Projects</p>                            |
| <p>4. Delays due to ongoing COVID-19 restrictions: Impact on site management while delivering package adhering to social distance rules for workers<br/> <b>50% probability</b><br/> <b>Medium risk</b></p>   | <p><b>Workers maintain social distancing</b><br/>                     Limited measures can be undertaken due to proposed site and works involved</p>   | <p>Contractor</p>                                |
| <p>5. Increased competition for resources: a reduced ability to deliver within TCF timescales and potentially additional cost<br/> <b>25% probability</b><br/> <b>Medium risk</b></p>   | <p><b>Early contractor engagement</b></p>  | <p>Major Projects / Contractor</p>               |

*Do the significant risks require any contract conditions? (e.g. clawback on outcomes)*

**No. (although abandonment risk needs considering)**

*Are there any significant risks associated with securing the full funding of the scheme?*

**No.**

*Are there any key risks that need to be highlighted in relation to the procurement strategy?*

**No**, although not decided whether in-house or external suppliers to be procured. Risks may be different. Clarity required for FBC. The experience of the Council Team in carrying out similar work is set out in 5.1A.

**Delivery**

*Is the timetable for delivery reasonable and has the promoter identified opportunities for acceleration?*

**Yes.**

*Is the procurement strategy clear with defined milestones?*

**Yes.**

*What is the level of cost certainty and is this sufficient at this stage of the assurance process? Has the promoter confirmed they will cover any cost overruns without reducing the benefits of the scheme?*

**Yes.**

*Has the promoter demonstrated clear project governance and identified the SRO?*

**Yes.**

*Has the SRO or other appropriate Officer signed of this business case?*

**No.**

*Has public consultation taken place and if so, is there public support for the scheme?*

**Some – ward members. Outcome not clear. 7.3 states “6 weeks, to start June 2021” but that period is over. No information given on progress or results.**

*Are monitoring and evaluation procedures in place?*

|   |
|---|
| Yes.  |
| <b>Legal</b>  |
| <i>Has the scheme considered Subsidy Control compliance or does the promotor still need to seek legal advice?</i> |
| Yes, No.  |

## Recommendation and Conditions

|  |                  |
|--|------------------|
| <b>Recommendation</b>  | Approved for FBC |
| <b>Payment Basis</b>   | Defrayal         |
| <b>Conditions of Award (including clawback clauses)</b>  |                  |
| <p>Prior to contract execution:</p> <ul style="list-style-type: none"> <li>• Submission of MCA Appendices A</li> </ul> <p>The following information is required for FBC:</p> <ul style="list-style-type: none"> <li>• Breakdown of construction costs</li> <li>• 95% cost certainty</li> <li>• Results of public consultation</li> <li>• Likelihood of opposition to the scheme leading to abandonment and cost mitigation</li> <li>• Details designs</li> <li>• Monitoring and Evaluation Plan</li> <li>• Updated timeline</li> <li>• Updated appraisal results with sensitivity tests.</li> </ul> <ul style="list-style-type: none"> <li>• At FBC the TCF grant will be capped at £4.04m which is maximum amount available.</li> </ul> |                  |





This page is intentionally left blank



## Assurance Summary

### Scheme Details

|                            |                              |                          |            |
|----------------------------|------------------------------|--------------------------|------------|
| <b>Project Name</b>        | O0050 Sheaf Valley Route OBC | <b>Type of funding</b>   | Grant      |
| <b>Grant Recipient</b>     | SCC                          | <b>Total Scheme Cost</b> | £2,300,000 |
| <b>MCA Executive Board</b> | TEB                          | <b>MCA Funding</b>       | £2,300,000 |
| <b>Programme name</b>      | ATF2/Gainshare               | <b>% MCA Allocation</b>  | 100%       |

### Appraisal Summary

#### Project Description

*Is it clear what the MCA is being asked to fund?*

The applicant seeks funding for a 4.2 km Active travel route in the highway between Sheaf Quay and Norton. The following elements are required:

|                                  |       |
|----------------------------------|-------|
| Segregation                      | 400m  |
| New controlled crossing          | 2 No. |
| Improved controlled crossing     | 4 No. |
| Improved uncontrolled crossing   | 1 No. |
| Point closure - new              | 2 No. |
| Point closure - relocated        | 1 No. |
| Point closure - upgraded         | 1 No. |
| Track widening                   | 200m  |
| Parking restriction              | 1780m |
| Bus gate                         | 1 No. |
| Junction improvement/Remodelling | 1 No. |
| 20mph area                       | 1     |

In addition, several minor interventions are also proposed to create Active Neighbourhoods (funded separately through ATF) that seamlessly link into the main arterial cycle route – e.g. point closures.

However, the description in 3.10 is *“... route is a series of scalable interventions that bring the route up to international best practice standard. Approximately 14 interventions along the route will enable safer walking and cycling: ranging from widening a dropped kerb to complete junction remodelling. Interventions are ranked based on impact.”* The use of the word “scalable” indicates a lack of clarity as to the scope and therefore cost and impact of the proposal. More development work is required.

#### Strategic Case

*Scheme Rationale*

*Does the scheme have a clearly stated rationale and provide a strong justification for public funding?*

**Yes.** In 3.1 the applicant provides a clear rationale for the project, relating to the ability of active travel infrastructure to support behaviour change and drive non-transport benefits to society. It references the complementarity of the proposals to other schemes and developments.

|  |   |  |   |
|--|---|--|---|
| Strategic policy fit   | <p><i>How well does the scheme align with the strategic objectives of the SEP and RAP?</i><br/> <i>In 3.2 the applicant describes how the proposed scheme aligns with the SCR SEP, and the SCR Transport Strategy. It links the schemes outcomes to the objectives contained in these.</i></p>  |  |   |
| Contribution to Carbon Net Zero  | <p><i>Does this scheme align with the strategic objective to achieve Carbon Net Zero?</i><br/> <b>Yes.</b> Small reductions are likely to be critical in terms of current levels that over the urban area are at the legal limit for NOx and particulates</p>   |  |   |
| SMART scheme objectives  | <p><i>State the SMART scheme objective as presented in the business case.</i><br/> Short term</p> <ul style="list-style-type: none"> <li>• Increase the use of existing and planned pedestrian and cycling facilities in the city centre</li> <li>• Improve the cycling environment that is safer for both walking and cycling to replace journeys made by car;</li> <li>• Improve access to key city centre destination for all modes including walking and cycling</li> <li>• Improve access to the Lower Don Valley employment zone (when combined with TCF AMID- city centre scheme)</li> </ul> <p>Long term</p> <ul style="list-style-type: none"> <li>• To create a cultural shift towards making cycling and walking the natural choice for shorter journeys</li> <li>• That this route will form part of a local area network linking into the Nether Edge TCF and ATF proposals, and creating a longer much improved active travel route when combined with City Centre, HZN and AMID proposals. Ultimately forming a key piece of the citywide network so that all destinations within the city are accessible and safer by bike or foot.</li> <li>• To improve air quality and environmental impacts within city centre</li> </ul> <p><i>Is there a 'golden thread' between the strategic objectives (see 3.2) and the scheme objectives (see 3.8)?</i><br/> <b>Yes</b> – the number of cycling and car trips along the route will be expected to change in response and this will be measured by means of counts and surveys.</p> |  |   |
| Options assessment   | <p><i>Is there a genuine Options assessment and is there a clear rationale for the selection of short-listed options and the choice of the Preferred Way Forward?</i><br/> <b>No.</b> It is not clear that all options were considered at the time the preferred option was defined and screened against non-engineering criteria adequately before selection of the preferred option; as no public consultation has occurred this is unlikely. However</p>   |  |   |
| Statutory requirements and adverse consequences  | <p><i>Does the scheme have any Statutory Requirements?</i><br/> TROs only<br/> <i>Are there any adverse consequences that are unresolved by the scheme promoter?</i><br/> <b>Yes.</b> In addition to “normal” levels of traffic disruption, severance, noise and emissions during construction (“for a scheme of this type”) route re-assignment and parking displacement are likely to occur with the scheme in place, although this is likely to be short term in duration based on experience elsewhere. The applicant has committed to monitoring these impacts with cycle and traffic counts and surveys of parking and speed.</p>   |  |   |
| <b>Value for Money</b>   |   |  |   |
| Core monetised Benefits  | <p><i>[Core BCR – table 4.22]</i><br/> <b>2.4</b></p>   | Non-monetised and wider economic benefits  | <p><i>[Values/description – supplementary form]</i><br/> <b>Supplementary form states environmental impacts “neutral” No wider impacts.</b></p> |
| <p><i>In your view do the key assumptions and uncertainties present any significant risks to achieving the value for money?</i><br/> This is acknowledged to only relate to £2m-worth of the concept scheme and the uplifts used are based on evidence that is not appropriate. Costs are below the level of certainty expected at OBC and this, together with any reduction in demand uplifts, will potentially impact the BCR detrimentally.</p> |   | <p><i>Do the key assumptions and uncertainties present any significant risks to achieving the value for money?</i><br/> An EIA has not been conducted, but applicant prepared to do so for the FBC. The need for this will depend on the likely impacts of the final scheme.</p> |   |
| <b>Value for Money Statement</b>   |   |  |   |

Taking into consideration the monetised and non-monetised benefits and costs, does the scheme represent good value for money?

**Yes**

**Risk**

What are the most significant risks and is there evidence that these risks are being mitigated?

| <b>Risk</b><br><i>[State the risk and identify both its probability and impact on a scale of high-medium-low]</i>  | <b>Mitigation</b><br><i>[State how you will mitigate the risk]</i>   | <b>Owner</b><br><i>[State who is responsible for mitigating this risk]</i> |
|--|--|--|
| 1. Traffic management restrictions result in a delivery programme which cannot be accommodated within the funders timescales.  | Early consultation with Traffic management team. Share draft programme with stakeholders to understand potential impacts and update programme. | Project lead / team  |
| 2. Unusual design features (i.e. segregation etc.) may result in concerns raised in the Road Safety Audit; create design difficulties or result in reluctance in adoption of the works under the PFI. i.e. Dutch style roundabout. May result in protracted negotiations which delay sign off of the designs. May result in design revisions, impacting on budget and programme. | Identify and flag up areas of potential concern with stakeholders at the earliest opportunity.   | Project lead / team  |
| 3. Unexpected Utilities' costs. Risk of delay and cost over run.   | C2, C3 and C4 stats estimates. GPR survey if deemed necessary by appointed contractor. Use of trial holes of appropriate.                      | Project lead / team  |
| 4. Cost estimations exceed budget. Impact on scope and deliverability. Programme delays.   | Ensure cost estimates are robust and reflect latest data re market rates. Review scope of project  | Project lead / team  |
| 5. Insufficient access to materials and resources. Competition from other projects being delivered locally through TCF, HOTC2, etc. Impacts of Brexit, Covid 19 on workforce and availability of materials. Project delays. Social distancing impact on carrying out construction, causes delays.  | Monitor and assess impact on programme. Consider in cost plan. Broaden supply chain  | Project lead / team  |

There is **no QRA** accompanying the bid and a flat 25% has been applied

Do the significant risks require any contract conditions? (e.g. clawback on outcomes)

**No**

Are there any significant risks associated with securing the full funding of the scheme?

**No.**

Are there any key risks that need to be highlighted in relation to the procurement strategy?

**No**

**Delivery**

Is the timetable for delivery reasonable and has the promoter identified opportunities for acceleration?

**Yes** although are "hopeful" and likely to change at FBC.

Is the procurement strategy clear with defined milestones?

**Yes.** The procurement strategy is described at Section 5.1, and is clear. *"In this case the tender will be negotiated with a single developer - Amey LG. The works will be covered through the framework agreement of the Council's Highway None Core Contract. "*

Dates relating to procurement has been added in 7.1, addressing the assessor's comments.

What is the level of cost certainty and is this sufficient at this stage of the assurance process? Has the promoter confirmed they will cover any cost overruns without reducing the benefits of the scheme?

**60%**. The applicant has not committed to covering cost overruns without reducing the scope of the scheme. To some extent the scheme (and benefits) is scaleable, as stated in Section 6.5 *“To allow for any changes that may be required as a result of the community consultation costs were broken down into interventions with a 25% risk allowance provided on the overall costs”*

*Has the promoter demonstrated clear project governance and identified the SRO?*

**Yes.** The organogram has been updated to provide more clarity

*Has the SRO or other appropriate Officer signed off this business case?*

**Yes**

*Has public consultation taken place and if so, is there public support for the scheme?*

No

*Are monitoring and evaluation procedures in place?*

**Yes.**

### **Legal**

*Has the scheme considered Subsidy Control compliance or does the promoter still need to seek legal advice?*

**Yes, No.**

## **Recommendation and Conditions**

|   |                 |
|---|-----------------|
| <b>Recommendation</b>   | <b>Approved</b> |
| <b>Payment Basis</b>  | <b>Defrayal</b> |
| <b>Conditions of Award (including clawback clauses)</b>   |                 |
| <ul style="list-style-type: none"><li>• An updated QRA</li><li>• A legible organogram</li></ul> |                 |



This page is intentionally left blank



## Assurance Summary

### Scheme Details

|                            |   |                          |             |
|----------------------------|---|--------------------------|-------------|
| <b>Project Name</b>        | T00081&3 City Centre to Attercliffe and Darnall Active Travel OBC | <b>Type of funding</b>   | Grant       |
| <b>Grant Recipient</b>     | SCC   | <b>Total Scheme Cost</b> | £17,999,943 |
| <b>MCA Executive Board</b> | TEB   | <b>MCA Funding</b>       | £17,999,943 |
| <b>Programme name</b>      | TCF   | <b>% MCA Allocation</b>  | 100%        |

### Appraisal Summary

#### Project Description

*Is it clear what the MCA is being asked to fund?*

**Yes.** This scheme involves the development of a core cycle route connecting the city centre towards Darnall, through Attercliffe and the Advance Manufacturing Park (AMP) corridor. The route also includes a spur to the Olympic Legacy Park, with supporting measures to ensure comfort and safety of cyclists feeding into the core route from adjacent residential and employment areas.

Section 2.3 states that the SCR funds will be used to prepare and design the preferred options and deliver:

|  |        |
|--|--------|
| improved cycle infrastructure                        | 7.2km  |
| improved pedestrian infrastructure                   | 1.6km  |
| junction improvements                                | 10     |
| new bus lanes  | 1.4km  |
| Signalised junction improvements                     | 7      |
| bus stop upgrades (shelter, boarders, bus box, etc): | 25     |
| segregated cycle track                               | 4.12km |
| Traffic calming measures                             | 3.6km  |
| pedestrian crossing upgrades                         | 14     |
| segregated cycle crossings:                          | 11     |

Only a modest reduction in road space is proposed

#### Strategic Case

|  |   |
|--|---|
| <i>Scheme Rationale</i>                | <i>Does the scheme have a clearly stated rationale and provide a strong justification for public funding?</i><br><b>Yes.</b> The rationale is clear and well evidenced and justifies public funding |
| <i>Strategic policy fit</i>            | <i>How well does the scheme align with the strategic objectives of the SEP and RAP?</i><br><b>Fully</b>   |
| <i>Contribution to Carbon Net Zero</i> | <i>Does this scheme align with the strategic objective to achieve Carbon Net Zero?</i><br><b>Fully</b>  |
| <i>SMART scheme objectives</i>         | <i>State the SMART scheme objective as presented in the business case.</i>  |



|  |  |   |  |
|--|--|---|--|
|  | <i>Is there a 'golden thread' between the strategic objectives (see 3.2) and the scheme objectives (see 3.6)?</i><br><b>Partially.</b> A clearer set of directly measurable targets relating to model results would be a useful improvement in the FBC   |   |  |
| <i>Options assessment</i>  | <i>Is there a genuine Options assessment and is there a clear rationale for the selection of short-listed options and the choice of the Preferred Way Forward?</i><br><b>Apparently,</b> although capital costs of non-preferred options are not presented.  |   |  |
| <i>Statutory requirements and adverse consequences</i>   | <i>Does the scheme have any Statutory Requirements?</i><br><b>TROs only</b><br><i>Are there any adverse consequences that are unresolved by the scheme promoter?</i><br>In gross terms <b>Yes.</b> The Assessor states <i>"The proposed reallocation of road space along the A1678 corridor trades improved safety and connectivity for people walking, cycling and using public transport for journeys along this route against maintaining convenient access to/parking immediately outside of some premises and journey times for general motorised traffic..... Enhanced enforcement of existing waiting and loading restrictions along Attercliffe Road (e.g. through the use of Red Routes) will further enhance the safety and journey time reliability for people cycling and using buses along Attercliffe Road, but may cause some minor inconvenience for local businesses that continue to local incorrectly and in contravention to existing restrictions. Construction impacts will be short-term, and mitigated through Traffic Regulation Orders and diversionary routes implemented prior to works commencing."</i> |   |  |
| <b>Value for Money</b>   |  |   |  |
| Core monetised Benefits  | <i>[Core BCR – table 4.22]</i><br><br><b>1.16</b>  | Non-monetised and wider economic benefits   | <i>[Values/description – supplementary form]</i> |
| <i>In your view do the key assumptions and uncertainties present any significant risks to achieving the value for money?</i><br>There is always risk around a single measure of the BCR. TAG guidance has been followed. Optimism bias of 21% of base costs has been used. The result is sensitive to demand and future traffic levels and the impact of COVID, long term, on travel patterns and modes.<br>The BCR takes full account of likely delays to a greater number of motorists than active travellers on the corridor resulting from the interventions. These are more than offset by the health benefits for the latter and reductions in accidents overall. The BCR seems conservative on the basis that walking 'environment quality' (amenity) benefits have not been appraised, and neither have wider economic benefits associated with the contribution the reprioritised corridor is expected to make in relation to the place function, and economic vitality, of Attercliffe High Street and the area around the Don Valley Bowl/Arena |  | <i>Do the key assumptions and uncertainties present any significant risks to achieving the value for money?</i><br><br><b>No.</b> These have not been appraised but are an upside risk. |  |
| <b>Value for Money Statement</b>   |  |   |  |
| <i>Taking into consideration the monetised and non-monetised benefits and costs, does the scheme represent good value for money?</i><br><b>Medium,</b> but with potential to be high, taking account of non-monetised impacts of improving the environment for people to use the space for purposes other than passing through   |  |   |  |
| <b>Risk</b>  |  |   |  |
| <i>What are the most significant risks and is there evidence that these risks are being mitigated?</i><br>As below. The P50 residual risk is calculated at £2.756m (18% base costs) based on a QRA of the events in the risk register (see Risk register). There is clear awareness of the risks although the full responsibility lies with the client to mitigate. <i>"Levels of risk are considered to be proportionate to the status of the scheme, with clear project management protocols in place to manage identified risks as the scheme progresses – based on SCC's standard processes and its Capital Delivery Service (CDS)."</i><br>(Assessor's comment)   |  |   |  |

| <b>Risk</b><br><i>[State the risk and identify both its probability and impact on a scale of high-medium-low]</i>   | <b>Mitigation</b><br><i>[State how you will mitigate the risk]</i>   | <b>Owner</b><br><i>[State who is responsible for mitigating this risk]</i> |
|---|--|--|
| Unexpected commuted sum can't be funded by SCC  | <ul style="list-style-type: none"> <li>• Need to be factored into budget.</li> <li>• Early estimate required to allow discussions ref funding source to take place.</li> <li>• Need to factor into design and seek advice from HMD ref design changes to minimise sums.</li> </ul> | PM   |
| Unexpected Utilities' costs. C2 stats complete shows minimal diversion required however cannot be certain until options finalised and C4's complete.                              | C2's to be shared with cost manager to allow some initial costing work to be done for contingency purposes. Need to factor in potential programme delay. Estimated costs confirmed by C3 and C4 checks.  | PM   |
| Road safety audit (stages 1-3) may identify unforeseen issues that require additional works over and above those already allowed for. (potential for additional crossing points?) | Potential design addition for crossing point   | PM   |
| Supply chain issues. Pressure on UK supplies from demand  | Investigate supply chain and give advanced warning / pre-order.  | PM   |
| Traffic management restrictions result in a delivery programme which cannot be accomodated within the funders timescales.   | Early consultation with Traffic Management team. Share draft programme with stakeholders (including HMD) to understand potential impacts and update programme.   | Client   |

*Do the significant risks require any contract conditions? (e.g. clawback on outcomes)*

**No.**

*Are there any significant risks associated with securing the full funding of the scheme?*

**No**

*Are there any key risks that need to be highlighted in relation to the procurement strategy?*

**No.** D&B contract to be tendered Jan 22.

Works assumed to be permitted development, so no Planning consent required. No match funding, no additional land.

## **Delivery**

*Is the timetable for delivery reasonable and has the promoter identified opportunities for acceleration?*

**Yes.**

*Is the procurement strategy clear with defined milestones?*

**Yes** – Appendix MC9 (Critical Path) provides a clear project delivery plan with milestones that are commensurate with the current stage of scheme design. There is some uncertainty as to when construction will commence (February and April 2023 are variously mentioned), but it is understood that SCC's intention is to commence construction prior to the end of March 2023 - subject to detailed design and engagement of design contractors in January 2022.

*What is the level of cost certainty and is this sufficient at this stage of the assurance process? Has the promoter confirmed they will cover any cost overruns without reducing the benefits of the scheme?*

**60% Yes** – unless de-scoped, from additional non-secured funding sources. Any currently unforeseen risks, that emerge pre FBC can be managed but thereafter are a risk to the achievement of expected benefits. For this reason the scope has been broken down into coherent packages.

*Has the promoter demonstrated clear project governance and identified the SRO?*

**Yes.** Appendix MC7 gives this information, although it would be useful to have clarity in the OBC document

*Has the SRO or other appropriate Officer signed of this business case?*

**No**

*Has public consultation taken place and if so, is there public support for the scheme?*

**Yes.** Detailed in Section 7.11

*Are monitoring and evaluation procedures in place?*

**Yes.** Detailed in Section 7.12. However *“Post implementation monitoring makes reference to counts, travel time and catchment analysis, and user/non-user surveys, but these are not directly linked to a set of SMART targets that are expressed quantitatively (in line with the anticipated benefits forecast in the economic appraisal for the*

*scheme), as noted on previous comments. It is understood that the Promoter intends to develop these in conjunction with its preferred Design and Build contractor, and recommended that targets are developed based upon the outcome and benefit targets expressed section 7.14.” (Assessor report)*

**Legal**

*Has the scheme considered Subsidy Control compliance or does the promotor still need to seek legal advice?*

**Yes. No**

**Recommendation and Conditions**

|  |                       |
|--|-----------------------|
| <b>Recommendation</b>  | <b>Proceed to FBC</b> |
| <b>Payment Basis</b>   | <b>Defrayal</b>       |
| <b>Conditions of Award (including clawback clauses)</b>  |                       |
| <ul style="list-style-type: none"><li>• Clarity on construction start dates</li><li>• A set of directly measurable targets</li><li>• Show base costs, residual risks, OB values in in table 3.</li><li>• A full DIA</li><li>• At FBC the TCF grant will be capped at £15.3m which is maximum amount available.</li></ul> |                       |



This page is intentionally left blank



## Assurance Summary

### Scheme Details

|                            |                                  |                          |       |
|----------------------------|----------------------------------|--------------------------|-------|
| <b>Project Name</b>        | Phase 4 Park Hill, Sheffield     | <b>Type of funding</b>   | Grant |
| <b>Grant Recipient</b>     | Urban Splash (Park Hill) Limited | <b>Total Scheme Cost</b> | £26m  |
| <b>MCA Executive Board</b> | Housing and Infrastructure       | <b>MCA Funding</b>       | £5.6m |
| <b>Programme name</b>      | Brownfield Housing Fund          | <b>% MCA Allocation</b>  | 21.6% |

### Appraisal Summary

#### Project Description

Phase 4 Park Hill is a residential led mixed-use re-development of a Grade II\* listed structure. Phase 4 is part of a wider long-term regeneration of the Park Hill flats estate transforming 5 iconic brutalist buildings that have suffered decay and dereliction into high quality and sustainable homes and vibrant workspaces for people to live, work and play. By the end of 2021 phases 1 to 3 will complete including 455 mixed tenure homes (including 93 social rent, 114 open market rent and 248 open market sales), circa 55,000 sq ft of active commercial workspace and 356 student bedrooms. Phases 1 to 3 will attract an active community of 1,500 people living and working within Park Hill. Phase 4 brings forward a further 95 new homes and shell space for a new cultural hub for S1 Artspace.

The OBC is clear in setting out that the total funding required from the MCA is £5,610,344 to fund a scheme to refurbish an existing Grade II\* listed structure. The project will deliver 95 homes including 19 affordable, a further eleven shell units to be fitted out as live/work units, and c29,000 sq ft of shell space to fit out as artists' studios, workspace and community / learning space, 80 car parking spaces and external landscaping. The funding from the MCA is to unlock the proposed scheme by addressing a funding gap created by the high costs of renovating a Grade II\* listed building and make the proposed scheme financially viable. Section 2.3 outlines the specific cost items the MCA grant would support. The assessors have found that the OBC is clear in setting out what the funding should be used for.

#### Strategic Case

|  |   |
|--|---|
| <i>Options assessment</i>                              | The OBC sets out four main options: Do minimum, viable alternative options 1 and 2, and the Preferred option. It is considered that the preferred option is the best fit with the applicant's strategic objectives and the other options have been discounted for legitimate reasons.   |
| <i>Statutory requirements and adverse consequences</i> | The OBC states that a reserved matters planning application has been submitted with approval granted in August 2019 for Phase 4. This application includes the refurbishment of the building to provide 95 residential units, education space, artists' studios, flexible workspaces, live/work and heritage flats and an extension to form a new art gallery with ancillary facilities. The planning approval is subject to a set out outline and reserve matters planning conditions which will be discharged. The applicant has submitted a design and access statement along with other documents required for the statutory consultation process, including a transport statement. The assessors note that the planning application is being progressed but that there is some risk in the absence of approval of reserved matters, though outline planning consent has been approved. |

The applicant has considered adverse consequences through a 'sustainability agenda' submitted as part of the outline planning consent and an ecology report submitted for the reserved matters planning application which both considered potential adverse consequences arising out of the proposed development scheme and found there to be none.

### Value for Money

The economic dimension includes a series of monetised benefits to determine BCRs alongside nonmonetised outcomes. For the preferred option an initial BCR has been considered, including Land Value Uplift (LVU), wider Land Value Uplift, health benefits of affordable housing, crime cost savings, amenity benefits and distributional benefits.

Also an adjusted BCR has been calculated to take into account active mode transport benefits, labour supply benefits, productivity benefits, wellbeing from attending arts and cultural events and volunteering benefits, heritage benefits. However, the applicant considers the adjusted BCR likely to be an overestimate as the fit-out, staffing and other costs of the S1 Artspace are not factored in and are to be funded separately. The applicant therefore suggests that it is the initial BCR that is the most appropriate to consider when assessing the project's value for money.

Based on the more conservative initial BCR calculation, the project results in a BCR of 2 and therefore represents acceptable value for money.

### Risk

The OBC identifies a series of risks in section 6.6 and details the approach to mitigation of these risks. Risks identified include risk of cost increases, risk of not securing debt funding, not agreeing legals with the S1 Artspace operator, commercial risk of slow sales and declining values, and risk of delays to the construction programme. All risks are owned by the developer and the assessors are satisfied that appropriate and proportionate mitigation measures are in place and that risks are being managed. All scoring appears to be reasonable and it is felt the quantitative conclusions represent the risks effectively.

A major delivery risk is the current absence of secured debt funding which the developer will require to deliver the scheme. It is recognised, however, that private sector lenders are unlikely to agree to an unviable scheme and that therefore the award of the requested grant from the MCA is crucial to rendering the scheme viable and able to attract debt funding. It is also noted that the applicant has an existing relationship with a potential funder which is currently providing a loan for Phase 2 of the same project and that the applicant is confident finance can be agreed on similar terms once the viability of the scheme can be demonstrated. The MCA may consider it appropriate to make the grant conditional on an 'agreement in principle' or an indication from potential private sector lenders of their willingness to provide the required finance if the grant is approved.

The OBC identifies that there is a risk with the use of a design & build contract that the client may have to pay more if the contractor takes on an unreasonably high level of risk due to a lack of design clarity, that the contractor may exploit specification that is open to interpretation to choose the cheapest route leading to quality being compromised, but indicates that these risks are to be mitigated. The assessors are satisfied that the developer and professional team are experienced in their approach to procurement, having successfully delivered phases 1-3.

## Delivery

The applicant, Urban Splash is the developer of the scheme and will procure subcontractors through a 2 stage design & build contract. The main contractor is to be evaluated during Pre-Contract Service Agreement (PCSA) stage. The assessors are satisfied that the procurement strategy is clear and milestones are defined and reasonable

The OBC states a level of certainty of 75% which is the minimum level of certainty in relation to costs that is required at this stage. The applicant states there is no expectation the MCA will be liable for cost overruns which will be owned by the developer.

The OBC sets out clear project governance, outlining the governance structure for the project, stating that the developer is Urban Splash (Park Hill) Ltd which is a 50/50 joint venture partnership between Urban Splash and Places for People. The Development Manager is Urban Splash Developments. The Senior Responsible Owner and key contact for the contract with the MCA is named for Urban Splash Developments.

The OBC sets out the applicant's approach to monitoring and evaluation, stating that a key set of principles for the professional team to adhere to in ensuring the scheme captures the benefits, outcomes and outputs of the projects will be set out, and that these principles will be set out within the Employers Requirements for the construction contract. All benefits, outcomes and outputs will be set out in a tracker which will be used to monitor progress through the delivery of the scheme and this will be reviewed and updated with project meetings.

## Legal

The applicant has received advice from lawyers DWF on subsidy control with their advice letter appended to the OBC. This advice indicates that the requested grant is likely to be compliant with emerging Subsidy Control regulations.

## Recommendation and Conditions

|   |                |
|---|----------------|
| <b>Recommendation</b>   | Proceed to FBC |
| <b>Payment Basis</b>  |                |
| <b>Conditions of Award (including clawback clauses)</b>                   |                |
| Submission deadline for the FBC of the 29 <sup>th</sup> of November 2021. |                |





## Mayoral Combined Authority Board

15 November 2021

### Integration Update

---

|   |                    |
|---|--------------------|
| <b>Is the paper exempt from the press and public?</b> | No                 |
| <b>Reason why exempt:</b>                             | Not applicable     |
| <b>Purpose of this report:</b>                        | Governance         |
| <b>Is this a Key Decision?</b>                        | No                 |
| <b>Has it been included on the Forward Plan?</b>      | Not a Key Decision |

---

**Director Approving Submission of the Report:**  
Dave Smith, Chief Executive/Head of Paid Service

**Report Author(s):**  
Ruth Adams  
[Ruth.adams@sheffieldcityregion.org.uk](mailto:Ruth.adams@sheffieldcityregion.org.uk)

Claire James  
[Claire.james@sheffieldcityregion.org.uk](mailto:Claire.james@sheffieldcityregion.org.uk)

---

#### **Executive Summary**

This paper provides an update on the programme of activity being undertaken to create a single integrated MCA organisation able to respond to the challenges and opportunities for South Yorkshire.

#### **What does this mean for businesses, people and places in South Yorkshire?**

The decision to formally integrate the PTE and MCA was made in order to ensure greater political oversight and decision making of passenger transport services in South Yorkshire.

#### **Recommendations**

Members consider the update and identify any issues.

#### **Consideration by any other Board, Committee, Assurance or Advisory Panel**

None specifically regarding this update report, however scrutiny of integration planning is provided by an Internal Programme Board and is part of the ToR for the Audit, Standard and Risk Committee Advisory Panel who provide assurance to the Committee that Programme governance arrangements are effective.

---

## 1. Background

- 1.1 The MCA, at its meeting 27th July 2020, agreed to begin the process for integrating the South Yorkshire Passenger Transport Executive (SYLTE) and the MCA, moving away from the current Group Structure of the MCA with a legally separate public transport Body. Since this point a detailed plan to integrate has been developed and is being delivered, and a governance framework implemented to oversee progress towards integration.
- 1.2 This report provides Members with an update on activity to date and planned next steps and programme governance and assurance activity.

## 2. Key Issues

- 2.1 The MCA Corporate Plan identified March 31<sup>st</sup>, 2022 as the date to have integrated the PTE into the MCA corporate structure.

As part of our planning towards this, there is a fundamental milestone to be achieved.

- 31st October 2021– Top tier operating model developed and agreed

At this point the plan is progressing and there is confidence that the first milestone will be achieved.

For the formal dissolution of the PTE to align with the above date, there is a landing point, identified for the parliamentary order to commence.

- 7th January 2022 – Confirmation from Government of progression of the Order to dissolve the PTE

This is largely the decision of government. However, planning is due to commence November 2021, to ensure that if the Order is not passed at the end of the financial year, that the integration can largely be enacted with some minor workarounds due to the PTE legally remaining.

### 2.2 Activity Implemented towards Integration

Development of operating model, to integrate PTE into MCA corporate structure and HR planning

- Work is progressing to meet the deadline of end October 2021 to have this developed, agreed with the Mayor and outlined to the Trades Union.
- A detailed implementation plan has been developed to implement the change programme.

Governance Arrangements

- Work to integrate decision making in the TEB has already been implemented
- Officer delegations have been unified and agreed by the MCA
- The two Audit Committees have been unified into a single committee, supported by an Advisory Panel focused on detailed assurance of integration and operational transport risk management

Financial Planning

- Preparation for repatriation of all banking arrangements from SCC are in place
- Financial systems have been aligned to enable integrated budgeting and processing
- Full review of assets and management processes across the group

#### Communications

- Name change has been implemented and a planned programme of change is in place
- Internal Communications has moved to a single internal communications approach

#### Information Technology

- Work to support changes to communications, branding and systems has been implemented

### 2.3 **Planned Future Activity**

#### HR and Next Steps

- Consultations with the Trades Unions
- Detailed work to integrate employees into team structures and job specific role profiles

#### Governance Arrangements

- Single approach to risk management developed and implemented

#### Financial Planning

- Revised Financial Regulations and Contract Procedure Rules to be developed
- Harmonised project and programme management processes to be developed
- Harmonised financial processes to be developed
- Harmonised approach to asset management to be developed

#### Communications

- Planning and implementation of a single website

#### Information Technology

- Supporting the development of the MCA website
- Implementation of other shared systems eg HR, Travel Portal etc
- Scoping, developing and implementing a revised approach to document management and data storage, mindful of amended data requirements, and use of technology to support the effective delivery of services and corporate processes.

### 2.4 **Programme Governance and Assurance Activity**

Assurance of the programme of activity is multi-layered, through a range of Boards or activity:

#### **1. Audit, Standards and Risk Committee and its Advisory Panel**

The Audit, Standards and Risk Advisory Panel scrutinise the plan and risks associated with integration both in terms of the process to integrate and the longer-term risks of changes to governance and management.

#### **2. Programme Board**

An internal Management Board, Chaired by Head of Paid Service, who meet monthly to review the plan, progress, slippage, escalating risks and issues and consider any changes to the plan.

#### **3. Steering Group**

Officers, leading particular tasks in the plan, meeting fortnightly to share progress, interdependencies and operational challenges.

#### **4. Integration PMO**

Operational team, meeting lead officers weekly to ensure governance Boards have the information they need to make timely decisions and derive assurance from the plan against desired outcomes and agreed benefits.

### **3. Options Considered and Recommended Proposal**

3.1 This paper does not have a range of alternative options to consider as it is providing an update for Members only.

#### **3.2 Risks and Mitigations**

Workstream risks are reviewed on a fortnightly basis and updated risk registers are provided to the Programme Board at their monthly meetings.

### **4. Consultation on Proposal**

4.1 This report is provided for update and assurance. All actions regarding the future organisation will be subject to consultation with Trades Union and employees.

### **5. Timetable and Accountability for Implementing this Decision**

5.1 The desired date for implementation of the integrated organisation and the legal dissolution is April 1<sup>st</sup> 2022. A detailed plan to achieve integration by this date is in place. The deadline for the parliamentary order has increased risk as this is a government decision, however work continues with departments to gain greater clarity over the government timetable.

### **6. Financial and Procurement Implications and Advice**

6.1 Financial resource to enable the integration exercise was considered as part of the 2021/22 budget setting process and supplemented at Budget Revision 1.

Resource has been made available from core funding and the Bus Improvement Project reserve that was set-up to support the implementation of the Bus Review recommendations.

The Programme Board receives a monthly update on the budget for the programme and updates are provided to MCA Board through the quarterly budget revision process.

### **7. Legal Implications and Advice**

7.1 There are no legal implications directly relating to this report and legal issues are being managed as they arise. The legal work related to the Order required to dissolve the PTE and changes to the constitution are being led by the Monitoring Officer.

### **8. Human Resources Implications and Advice**

8.1 The integration of the MCA Executive and PTE organisation has considerable HR implications that are being managed through the Programme. These considerations form a detailed element of the programme plan, and form part of regular discussions with the Trade Union.

### **9. Equality and Diversity Implications and Advice**

9.1 There are no equality and diversity implications related to the production of this report, however data and statistics are monitored as part of regular HR monitoring.

## **10. Climate Change Implications and Advice**

10.1 No implications as a result of this aspect of integration.

## **11. Information and Communication Technology Implications and Advice**

11.1 The integration exercise requires significant IT systems and infrastructure change to enable the efficient operation of the new organisation. A dedicated integration workstream has been established, led by the Head of IT.

11.2 Work is also underway, with the support of an external partner (Grant Thornton) to consider the operating model for IT and the areas where technology can better support the effective delivery of services.

## **12. Communications and Marketing Implications and Advice**

12.1 Communications and Marketing is a dedicated workstream of the integration plan and is supported by a detailed Internal Communications Plan.

### **List of Appendices Included**

None

### **Background Papers**

None

This page is intentionally left blank



## Mayoral Combined Authority Board

15 November 2021

### Decisions & Delegated Authority Report

---

|   |                    |
|---|--------------------|
| <b>Is the paper exempt from the press and public?</b> | No                 |
| <b><i>Reason why exempt:</i></b>                      | Not applicable     |
| <b>Purpose of this report:</b>                        | Governance         |
| <b>Funding Stream:</b>                                | Not applicable     |
| <b>Is this a Key Decision?</b>                        | No                 |
| <b>Has it been included on the Forward Plan?</b>      | Not a Key Decision |

---

**Director Approving Submission of the Report:**

Ruth Adams, Deputy Chief Executive

**Report Author(s):**

Lee Beevers

Lee.beevers@southyorkshire-ca.gov.uk

Christine Marriott

Christine.Marriott@southyorkshire-ca.gov.uk

**Executive Summary:**

This paper updates the Mayoral Combined Authority on

- Decisions and delegations made by the MCA
- Decisions and delegations made by Thematic Boards

**Recommendations:**

Members are asked to note the decisions and delegations made.



## List of Appendices Included

- A **Appendix A** provides details of the delegations agreed by the MCA, which are in addition to those made under the Scheme of Delegation.
- B **Appendix B** provides details of decisions taken under the delegation made to Thematic Boards and the subsequent delegations made to officers where appropriate. In accordance with Combined Authority's Constitution/Terms of Reference for the Board, Board decisions have been ratified by the Head of Paid Services (or their nominee) in consultation with the Chair of the Board.

| UI  | Decision Maker | Date of delegation | Decision  | Delegation  | Delegated to   | Financial value | Update   | Status |
|-----|----------------|--------------------|---|---|--|-----------------|--|--------|
| 127 | MCA            | 27th July 2020     | To enter into legal agreements with the four Local Authorities for their respective schemes for Phase 2 schemes.  | Enter into legal agreements with the four Local Authorities for their respective schemes for Phase 2 schemes.   | Head of Paid Service in consultation with the s73 and Monitoring Officer   | upto £7.939m    | In progress  | Active |
| 144 | MCA            | 16th November 2020 | Progression of Century BIC II to full approval and award of £2m grant to Rotherham Metropolitan Borough Council subject to the conditions set out in the Appraisal Panel Summary Table.   | Progression of Century BIC II to full approval and award of £2m grant to Rotherham Metropolitan Borough Council   | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements | £2m             | Contract negotiation                                     | Active |
| 173 | MCA            | 22 March 2021      | Progression of "Parkgate" OBC to FBC and early release of development cost funding of up to £1m to South Yorkshire Passenger Transport Executive ('SYPTe') subject to the conditions set out in the Assurance Panel Summary   | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements  | Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements                                     | £1m             | grant letter issued                                      | Active |
| 205 | MCA            | 7th June 2021      | Progression of "Doncaster Station Access OBC" to FBC and the release of development cost funding of £0.06m to Doncaster Borough Council subject to the conditions set out in the Assurance Summary at Appendix B to the report.   | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the schemes covered above.   | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer                                | £0.6m           | Contract Issued  | Active |
| 206 | MCA            | 7th June 2021      | Progression of "Sheffield City Centre OBC" to FBC and the release of development cost funding of up to £1.4m to Sheffield City Council subject to the conditions set out in the Assurance Summary at Appendix C to the report.  | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the schemes covered above.   | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer                                | £1.4m           | Contract negotiation / grant agreement in drafting stage | Active |
| 207 | MCA            | 7th June 2021      | Progression of "Sheffield Kelham OBC" to FBC and the release of development cost funding of up to £1.3m to Sheffield City Council subject to the conditions set out in the Assurance Summary at Appendix D to the report  | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the schemes covered above.   | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer                                | £1.3m           | Contract negotiation                                     | Active |
| 208 | MCA            | 7th June 2021      | Approved acceptance of the DfT Capability Grant for £1.09m.   | Delegated authority to the S73 Officer in conjunction with the Head of Paid Service and Monitoring Officer to accept the grants subject to their acceptance of the terms of the agreement and enter into subsequent legal agreements.   | Delegated authority to the S73 Officer in conjunction with the Head of Paid Service and Monitoring Officer   | £1.09m          | Awaiting grant acceptance letter - delayed by DIT        | Active |
| 215 | MCA            | 20 September 2021  | Progression of T8/2 Magna Tinsley (OBC) to MCA for approval to proceed to FBC and the release of up to £845k business case development cost funding from TCF2 to Sheffield City Council subject to the conditions set out in the Assurance Summary at Appendix A to the report. | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the scheme and enter into the necessary legal grant agreements with the Local Authorities and other delivery partners for the delivery of the Community Renewal funded projects. |  | £845k           | Contract Negotiation                                     | Active |

|     |     |                   |  |   |  |        |                      |        |
|-----|-----|-------------------|--|---|--|--------|----------------------|--------|
| 216 | MCA | 02 September 2021 | Progression of T28 Unity (OBC) to MCA for approval to proceed to FBC and release up to £50k business case development cost funding from TCF2 to Doncaster Metropolitan Borough Council subject to the conditions set out in the Assurance Summary at Appendix B to the report. | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the scheme and enter into the necessary legal grant agreements with the Local Authorities and other delivery partners for the delivery of the Community Renewal funded projects. |  | £50k   | Contract Negotiation | Active |
| 218 | MCA | 20 September 2021 | Progression of T23 Nether Edge Wedge (OBC) to MCA for approval to proceed to FBC and release up to £1.38m business development cost funding from TCF2 to Sheffield City Council subject to the conditions set out in the Assurance Summary at Appendix D to the report.        | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the scheme and enter into the necessary legal grant agreements with the Local Authorities and other delivery partners for the delivery of the Community Renewal funded projects. |  | £1.38m | Contract Negotiation | Active |
| 219 | MCA | 20 September 2021 | Progression of T18 iPort Bridge (FBC) to MCA for full approval of award of £5.45m from TCF2 to South Yorkshire Passenger Transport Executive subject to the conditions set out in the Assurance Summary at Appendix E to the report.   | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the scheme and enter into the necessary legal grant agreements with the Local Authorities and other delivery partners for the delivery of the Community Renewal funded projects. |  | £5.45m | Contract Negotiation | Active |
| 220 | MCA | 20 September 2021 | Progression of t16 Stations Access Package (FBC) to MCA for full approval of award of £6.17m from TCF2 to Doncaster Metropolitan Borough Council subject to the conditions set out in the Assurance Summary at Appendix E to the report.                                       | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the scheme and enter into the necessary legal grant agreements with the Local Authorities and other delivery partners for the delivery of the Community Renewal funded projects. |  | £6.17m | Contract Negotiation | Active |
| 235 | MCA | 20 September 2021 | Progression of "Gene Therapy Innovation and Manufacturing Centre" to full approval and award of £1.5m grant funding to the University of Sheffield (UOS) subject to the conditions set out in the Assurance Summary attached at Appendix A3 to the report.                     | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the scheme and enter into the necessary legal grant agreements with the Local Authorities and other delivery partners for the delivery of the Community Renewal funded projects. |  | £1.5m  | Contract Negotiation | Active |
| 236 | MCA | 20 September 2021 | Progression of "Project D0001" to full approval and award of £2m loan and £5.16m grant subject to the conditions set out in the Assurance Summary attached at Appendix A4 to the report.   | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the scheme and enter into the necessary legal grant agreements with the Local Authorities and other delivery partners for the delivery of the Community Renewal funded projects. |  | £5.16M | Contract Negotiation | Active |

|     |     |                   |   |   |  |       |                      |        |
|-----|-----|-------------------|---|---|--|-------|----------------------|--------|
| 237 | MCA | 20 September 2021 | Progression of "Broom Road Cycleways OBC" to proceed to FBC and release of development cost funding up to £211k to Rotherham Metropolitan Borough Council subject to the conditions set out in the Assurance Summary attached at Appendix B4 to the report. | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the scheme and enter into the necessary legal grant agreements with the Local Authorities and other delivery partners for the delivery of the Community Renewal funded projects. |  | £211k | Contract Negotiation | Active |
|-----|-----|-------------------|---|---|--|-------|----------------------|--------|

This page is intentionally left blank

| UI  | Decision Maker                      | Date of delegation | Decision  | Delegation   | Delegated to   | Financial value | Update                        | Status |
|-----|-------------------------------------|--------------------|---|--|--|-----------------|-------------------------------|--------|
| 157 | Housing and Infrastructure Board    | 7th January 2021   | The project 'Goldthorpe Strategic Land Assembly' for award of £0.580m grant from the Getting Building Fund subject to the conditions set out in the Appraisal Panel Summary.  | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements   | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer  | £0.580m         | contract issued               | Active |
| 158 | Housing and Infrastructure Board    | 7th January 2021   | The project 'Active Travel Bridge' for award of £1.5m grant from the Getting Building Fund subject to the conditions set out in the Appraisal Panel Summary Table.  | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements   | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer  | £1.5m           | contract issued               | Active |
| 164 | Housing and Infrastructure Board    | 04 March 2021      | 'Malthouses' for award of £1.097m grant from the Brownfield Housing Fund subject to the conditions set out in the Assurance Panel Summary   | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements   | Head of Paid Service in consultation with the Section 73 and Monitoring Officer  | £1.097m         | contract issued               | Active |
| 200 | Transport and The Environment Board | 14 June 2021       | Progression of Goldthorpe Active Neighbourhood Outline Business Case to Full Business Case and release up to £57k business case development cost from Active Travel Fund Phase 2 to Barnsley Metropolitan Borough Council subject to the conditions set out in the Assurance Summary attached at Appendix C to the report.                    | Delegated authority to be given to the Head of Paid Service in consultation with the Section 73 Officer and Monitoring Officer enter into legal agreements.  | Head of Paid Service in consultation with Section 73 and Monitoring Officer  | £57k            | Contract Issued               | Active |
| 210 | Housing and Infrastructure Board    | 22nd June 2021     | A report which requested the Board's approval of a BHF (Brownfield Housing Fund) scheme for the Allen Street brownfield housing scheme subject to the conditions set out in the Assurance Summary and to give approval for delegated authority.   | Delegated authority to be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the schemes covered above.                         | Delegated authority to be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the schemes covered above. | £0.546m         | contract negotiation          | Active |
| 197 | Transport and The Environment Board | 14 June 2021       | Progression of Doncaster College to Doncaster Station Outline Business Case to Full Business Case and release up to £59k business development cost funding from Transforming Cities Fund Tranche 2 to Doncaster Metropolitan Borough Council subject to the conditions set out in the Assurance Summary attached at Appendix A to the report. | Delegated authority to be given to the Head of Paid Service in consultation with the Section 73 Officer and Monitoring Officer enter into legal agreements.  | Head of Paid Service in consultation with Section 73 and Monitoring Officer  | £59k            | contract negotiation          | Active |
| 209 | Business Recovery and Growth Board  | 24 June 2021       | A report was submitted which requested delegated approval to award contract(s) totalling £0.12m in relation to the peer Networks programme.   | That the Board agree that delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreement/s for the Peer Network programme | delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer  | £0.12m          | Tender Evaluation in progress | Active |

|     |                                     |                   |  |   |   |         |                      |        |
|-----|-------------------------------------|-------------------|--|---|---|---------|----------------------|--------|
| 201 | Housing and Infrastructure Board    | 22 June 2021      | Allen Street' for award of £0.546m grant from the Brownfield Housing Fund subject to the conditions set out in the Assurance Panel Summary   | Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements            | Head of Paid Service in consultation with the Section 73 and Monitoring Officer | £0.546m | contract negotiation | Active |
| 221 | Transport and the Environment Board | 02 September 2021 | Progression of O47 Broom road Cycleways (BC) to MCA for approval to proceed to FBC and release up to £211k business case development cost funding from ATF2 to Rotherham Metropolitan Borough Council subject to the conditions set out in the Assurance Summary at Appendix G to the report.          | Delegated authority to be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements         |   | £211k   | Contract Negotiation | Active |
| 222 | Transport and the Environment Board | 02 September 2021 | Progression of O46 Warmsworth to Conisborough Cycle Superhighway (OBC) to proceed to FBC and release of up to £80k business case development costs funding from ATF2 to Doncaster Metropolitan Borough Council subject to the conditions set out in the Assurance Summary at Appendix H to the report. | Delegated authority to be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements         |   | £80k    | Contract Negotiation | Active |
| 227 | Housing and Infrastructure Board    | 13 September 2021 | Progression of 'Sheaf Catchment' SBC to MCA for approval to proceed to OBC and release of up to £0.80m business case development costs from Gainshare funding to SCC subject to the conditions set out in the Assurance Summary  | Delegated Authority to be given to the Head of Paid Service in consultation with the Section 73 Officer and Monitoring Officer to enter into legal agreements |   | £80k    | Grant Letter issued  | Active |
| 233 | Housing and Infrastructure Board    | 13 September 2021 | Approval of 'South Yorkshire Electric Vehicle Charging Infrastructure' FBC for award of £1.85m GBF (Getting Building Fund) to SCR MCA subject to the conditions set out in the Assurance Summary   | Delegated authority to be given to the Head of Paid Service in consultation with the Section 73 Officer and Monitoring Officer to enter into legal agreements |   | £1.85m  | Contract Negotiation | Active |
| 234 | Housing and Infrastructure Board    | 13 September 2021 | Approval of 'Doncaster Council House Build Phase 1' BJC for award of £0.50m BHF (Brownfield Housing Fund) to DMBC subject to the conditions set out in the Assurance Summary   | Delegated authority to be given to the Head of Paid Service in consultation with the Section 73 Officer and Monitoring Officer to enter into legal agreements |   | £50k    | Contract Negotiation | Active |