

Mayoral Combined Authority Board

21 March 2022

MCA Levelling Up Fund Round 2 bid

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

Director Approving Submission of the Report:

Martin Swales, Interim Director of Transport, Housing and Infrastructure

Report Author(s):

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Executive Summary:

The report provides updated information on the Government's Levelling Up Fund and seeks approval to submit a bid to the next round of the fund.

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

As set out in the MCA's Transport Strategy, a better public transport system in South Yorkshire will connect people to the places they want to go through reliable, affordable and accessible services. A successful Levelling Up Fund bid with investment focused on public transport, would help drive an increase in patronage.

Recommendations:

To approve the submission of an MCA Levelling Up fund bid to Government and agree delegated authority to the MCA Chief Executive and Statutory Officers in consultation with the Mayor, Council Leaders and Co-Chairs of the Transport and Environment Board to agree the final content of the bid.

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

Transport and the Environment Board (for information) – 17th March 2022

1. Background

- 1.1 Details of the Government's Levelling Up Fund (LUF) were originally published alongside the Budget on 3rd March 2021. The Government committed £4.8 billion for the LUF for England over a four-year period up to 2024-25. There were two rounds of bidding, one submission due in June 2021 and the second in Spring 2022. Combined Authorities were eligible to submit one successful transport bid, up to £50m. Local authorities were also eligible to submit bids and these were not limited to transport.
- 1.2 A range of indicative interventions for transport bids was included in the Guidance. These are: public transport, active travel, bridge repairs, bus priority lanes, local road improvements and major structural maintenance, and accessibility improvements. Schemes should be aligned with LUF objectives including; reducing carbon emissions, improving air quality, cutting congestion, supporting economic growth and improving the experience of transport users at community level.
- 1.3 The MCA submitted an integrated public transport and active travel bid to round one in June 2021. This bid was announced as unsuccessful in October 2021, meaning the authority remains eligible to submit a revised or new bid to round two. It is worth noting that only one Combined Authority was successful in the first round. The local authority submissions achieved five successful awards across Doncaster, Rotherham and Sheffield with a total value of £95m.
- 1.4 Following the first round of bids, Government has since published the Levelling Up White Paper in February 2022, this included twelve missions to level up the UK. Details of the missions and the full paper are available at: <https://www.gov.uk/government/news/government-unveils-levelling-up-plan-that-will-transform-uk>.
- 1.5 To date the guidance for round two has not been issued and timescales not yet confirmed. However, it is likely the guidance could be issued before Easter with submissions in Spring.

2. Key Issues

- 2.1 The case for a shift to sustainable transport modes remains pressing for economic, social and environmental reasons. The Government has recognised this in the publication of the National Bus Strategy (which included the requirement for the MCA to publish an ambitious Bus Service Improvement Plan) and through the publication of their De-carbonisation Plan. It is therefore likely that the transport element of the Levelling Up Fund will focus on sustainable travel options.
- 2.2 A successful Levelling Up Fund award would form part of a multi-year, multi fund investment programme focused on public transport recovery and growth. This currently includes funding sources such as City Region Sustainable Transport Settlement (incorporating the final components of the Transforming Cities Fund

programme), Active Travel Funding and ongoing submissions including ZEBRA Zero Emission Bus funding.

3. Options Considered and Recommended Proposal

3.1 Option 1

MCA Board are asked to approve the submission of a bid of up to £50m and agree delegated authority to the MCA Chief Executive and Statutory Officers in consultation with the Mayor, Council Leaders and Co-Chairs of the Transport and Environment Board to agree the final content.

3.2 Option 1 Risks and Mitigations

The requirements and timescales for a bid will place demand on resources. To mitigate this, work is underway on early stage preparation for round two.

3.3 Option 2

The MCA could determine not to pursue a Levelling Up Fund bid at this stage.

3.4 Option 2 Risks and Mitigations

There is currently no indication that there will be further rounds of LUF in the future so the opportunity to bid would likely be lost.

3.5 Recommended Option

Option 1

4. Consultation on Proposal

4.1 The bid will be developed in consultation with stakeholders and will include MPs. If the bid is successful scheme level consultation may be required.

5. Timetable and Accountability for Implementing this Decision:

5.1 The MCA is accountable for implementing the decision. If the recommended option is pursued the MCA Executive will submit the bid to Government by the deadline.

6. Financial and Procurement Implications and Advice

6.1 The LUF programme requires the submitting Authority to provide match funding at 10% of the overall bid. The ability to deliver match funding will be considered as part of the overall bid preparation.

Consideration will also be given to any requirements for ongoing revenue support to the proposed schemes.

7. Legal Implications and Advice

7.1 The bid will need to include an explanation of how the projects support UK Government policy objectives and legal and statutory commitments.

7.2 If successful the Finance Director has delegated to authority to accept the grant award, subject to being satisfied with the terms of the offer

8. Human Resources Implications and Advice

8.1 There are no HR implications at this stage.

9. Equality and Diversity Implications and Advice

9.1 Equality, Diversity and Social Inclusion will be actively considered in the design of all projects within the submission and this will continue through the assurance process.

10. Climate Change Implications and Advice

10.1 A Levelling Up Fund bid focused on public transport supports the goal of modal shift towards more sustainable transport as set out in the SYMCA Transport Strategy. More detailed environmental impacts will be considered at the project level.

11. Information and Communication Technology Implications and Advice

11.1 None

12. Communications and Marketing Implications and Advice

12.1 The submission builds on the commitments made in the MCA's Investment Strategy, and work will be undertaken to communicate the difference the plans, if supported, will make to people's experiences of travelling in South Yorkshire.

List of Appendices Included

A None

Background Papers

None