

Transport and the Environment Board

27 October 2022

Programme Approvals

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

Director Approving Submission of the Report:

Gareth Sutton, Chief Finance Officer/s73 Officer

Report Author(s):

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Executive Summary

This paper requests approval/endorsement to progress 3 schemes subject to the conditions set out in the Assurance Summaries.

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 'CRSTS55 Mass Transit – Network Infrastructure (Phase 1 & 2)) to MCA for approval to proceed from Strategic Business Case (SBC) to Outline Business Case (OBC) and release of development cost funding of £4.35m and early capital cost funding of £8.61mm from the City Region Sustainable Transport Settlement (CRSTS) to South Yorkshire Mayoral Combined Authority (SYMCA) subject to the conditions set out in the Assurance Summary attached at Appendix B1;

2. Progression of 'T0010 Station Access Improvements' to full approval and award of £0.54m grant from Transforming Cities Fund (TCF) to Barnsley Metropolitan Borough Council (BMBC) subject to the conditions set out in the Assurance Summary attached at Appendix A1;
3. Progression of 'MSF0004 – Town Centre to Oakwell Active Travel' SBC to FBC subject to the conditions set out in the Assurance Summary attached at Appendix B2;
4. Approval of flexibilities within the TCF programme as detailed in Section 1.6;
5. Delegated authority be given to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter in legal agreements for the schemes at 2 and 4 above.

The Board note:

1. Delegated approval by Chief Executive of two schemes 'T0003 A61 Royston Active Travel Scheme' to full approval and award of £5.2m grant and 'T0012 A635 Active Travel Scheme' to full approval and award of £2.4m grant. Both schemes are to be funded from Transforming Cities Fund to BMBC subject to the conditions set out in the Assurance Summary attached as Appendix D1 and D2. This urgent decision was required in light of the rescheduling MCA Board from 19 September 2022 due to the funeral of Queen Elizabeth II.

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

Assurance Panel

29 September 2022

Assurance Panel

18 October 2022

1. Background

- 1.1 This report seeks the approval for the progression of schemes funded from TCF, CRSTS and the Mayoral Sustainability Fund. The paper also requests delegated authority to enter into legal agreements for the named schemes.

1.2 Progression of schemes to full approval and award of funding

The paper is seeking progression to full approval and award of funding for 1 project. The scheme is detailed in Appendix A. The total amount of funding requested is £0.54m grant. The project is located within Barnsley

Full details of the scheme and risks are included in Appendix A.

1.3 Progression of schemes from SBC to OBC/FBC

The paper is seeking approval for progression of 1 SBC to FBC. The total amount of funding requested is £2m from Mayoral Sustainability Fund. The project is located in Barnsley. The paper is also seeking progression to MCA for the approval of 1 SBC and release of development costs funding. The total amount of funding requested is £12.95m from CRSTS.

Full details of the schemes and risks are included in Appendix B

1.4 **Delegated MCA Board Approval to Chief Executive to note**

On 30/09/2022 the Chief Executive approved progression of two schemes 'T0003 A61 Royston Active Travel Scheme' to full approval and award of £5.2m grant and 'T0012 A635 Active Travel Scheme' to full approval and award of £2.4m grant. Both schemes are to be funded from Transforming Cities Fund to BMBC subject to the conditions set out in the Assurance Summary attached as Appendix C1 and C2. The urgency requirement for these schemes was noted as:

1. The Barnsley Metropolitan Borough Council (BMBC) A61 Royston and A635 Active Travel Schemes are subject to a BMBC Cabinet decision on 21st September 2022 to accept TCF2 funding, programmed to follow the scheduled MCA Board meeting of 19th September 2022. MCA Board approval is required prior to BMBC entering contracts for works, tendered as a single package for both schemes.
2. Works contracts need to be entered by BMBC to avoid potential for; delayed delivery with winter and adverse weather conditions; price increases from contractor penalties for delay; or a requirement to re-tender if delivery timescales change significantly.
3. Both schemes are funded from the TCF2 programme and progression to full approval will contribute to maximising timely delivery against the programme, which is facing significant cost pressure and slippage challenges.

1.5 **TCF Programme Flexibilities**

In recognition of inflationary pressures this report is seeking approval for the LA's and MCA to have the flexibility to manage their project allocations at a programme level where unforeseen circumstances dictate. This flexibility will be limited to the projects already in the programme and any requests will be presented to the Assurance panel and reported at a later date to the board.

2. **Options Considered and Recommended Proposal**

2.1 **Option 1**

Do not approve the recommendations in this report.

2.2 **Option 1 Risks and Mitigations:**

Inability to approve the projects presented or release funding may result in the delivery and loss of activity/spend to the programmes.

2.3 **Option 2**

Award projects a smaller amount of grant funding.

2.4 **Option 2 Risks and Mitigations:**

All funding awards associated with the projects have been fully appraised in line with the SYMCA Assurance Framework to ensure value for money. Funding for these projects is timebound by the funding bodies and any deliverability issues will be managed via alternative funding sources.

2.5 **Option 3**

Approve all recommendations

2.6 **Option 3 Risks and Mitigations:**

By approving the recommendations, the available programme funding will reduce. However, the projects were included in the bids submitted to the funding bodies and/or are considered a strong strategic fit in line with investment aims.

2.7 **Recommended Option**

Option 3

3. **Consultation on Proposal**

- 3.1 Project sponsors are required to publish business cases on their websites (or an appropriate summary of the submission) and must consider all comments received and reflect this in the stages of the application process.

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 the promoter.

5. **Financial and Procurement Implications and Advice**

- 5.1 The projects presented for endorsement today are profiled to draw down funding as follows:

- £12.95m from the MCA's City Region Sustainable Transport Fund total allocation of £570m;
- £2m from the Mayoral Sustainability Fund
- up to £0.54m from the Transforming Cities Fund allocation of £166.3m.

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.

- 6.2 Prior to awarding the grants, the SYMCA shall ensure contracts are put in place to allow conditions of grant to be discharged.
- 7. Human Resources Implications and Advice**
- 7.1 Not applicable
- 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 The projects detailed in this report include new and/or enhanced active travel initiatives thereby shifting private vehicle use to more sustainable modes of transport. This aims to deliver huge benefits for health and positively contributing to the SYMCA's climate change aspirations.
- 10 Information and Communication Technology Implications and Advice**
- 10.1 Not applicable
- 11. Communications and Marketing Implications and Advice**
- 11.1 Subject to approval of the schemes, marketing and communications, will promote progress and raise awareness, through the social media channels and website presence.

List of Appendices Included

- A Progression of scheme to full approval and award of funding
- A1 Assurance Summary T0010 BMBC Station Access APS
- B Progression of scheme SBC to OBC/FBC with release of development costs
- B1 Assurance Summary CRSTS55 Mass Transit – Mass Infrastructure Phases 1 & 2
- B2 Assurance Summary MSF0004 - Town Centre to Oakwell Stadium Active Travel Scheme
- C1 Assurance Summary T0003 A61 Royston Active Travel Scheme
- C2 Assurance Summary T0012 A635 Active Travel Scheme