

## APPENDIX E - Assurance Summary

VERSION 1 24.11.2021

### 1 – SCHEME DETAILS

<b>Project Name</b>	G0005 Market Gate Bridge	<b>Type of funding</b>	Grant
<b>Grant Recipient</b>	Barnsley Council	<b>Total Scheme Cost</b>	12,053,179
<b>MCA Executive Board</b>	TEB	<b>MCA Funding Requested</b>	<b>£2,500,000 SYRF</b>
<b>Programme name</b>	TCF/GBF/SYRF	<b>Total % MCA Allocation</b>	61%
<b>Current Gateway Stage</b>	FBC Revision	<b>MCA Funding already secured</b>	£2,800,000 TCF £2,000,000 GBF approved July 2021

### 2 – PROJECT DESCRIPTION

#### *Is it clear what the MCA is being asked to fund?*

This project is to design and construct a new equality accessible pedestrian bridge over the main Sheffield to Leeds railway line in Barnsley.

This scheme was already approved by the MCA for funding from the TCF and GBF programmes. Subsequent to the approval the scheme has encountered increased costs are a result of unforeseen delays and cost risks – including the main contractor going into administration and diversion of uncharted gas mains. The scheme is at an advanced stage of delivery with costs fixed with the main contractor.

The scheme previously included “improvements to the public realm at both ends of the bridge”. These formed part of the contract outputs. However, the public realm costs were excluded from the 2021 Full Business Case as this focused only on the costs and benefits of the provision of the transport infrastructure (i.e the bridge) in line with the transport business case approach and eligibility for Transforming Cities Fund.

The scheme costs now reflect the full scheme delivery including that Public Realm.

The total costs have increased by £4.4m of which £1.9m is being covered by the promoter.

Additional £2.5m funding is therefore being sought from Barnsley Council’s allocation of Accelerated South Yorkshire Renewal Fund for the period for March 2024.

3. STRATEGIC CASE		
<i>Options assessment</i>	<p><i>Is there a clear rationale for the selection of short-listed options and the choice of the Preferred Way Forward?</i>            Yes, the business case had a clear strategic rationale for investment with appropriate options considered and evaluated.</p> <p>The revised Business Case sets out a clear sequence of events that have resulted in the increase in costs.</p>	
<i>Statutory requirements and adverse consequences</i>	<p><i>Does the scheme have any Statutory Requirements?</i>            All statutory approvals are in place</p> <p><i>Are there any adverse consequences that are unresolved by the scheme promoter?</i>            No</p>	
<i>FBC stage only – Confirmation of alignment with agreed MCA outcomes (Stronger, Greener, Fairer).</i>	<p>The scheme aligns with supporting the growth, economic development and regeneration ambitions of Barnsley, as well as achieving the objectives of the SEP and wider transport strategies and plans for MCA.</p>	
4. VALUE FOR MONEY		
Monetised Benefits:		
<i>VFM Indicator</i>	<i>Value</i>	<i>R/A/G</i>
<i>Net Present Social Value (£)</i>	£3.764m	
<i>Benefit Cost Ratio / GVA per £1 of SYMCA Investment</i>	1.48 (previously 1.31, due to additional benefits)	
<i>Cost per Job</i>	n/a	
Non-Monetised Benefits:		
<i>Non-Quantified Benefits</i>	Jobs and land value uplift now included in BCR	
Value for Money Statement		

*Taking consideration of the monetised and non-monetised benefits and costs, and the uncertainties, does the scheme represent value for money?*

The Business Case was categorised as a transport infrastructure investment. Therefore, the previous BCR calculation was based on DfT's WebTAG guidance and so included benefits relating to the transport impacts only. However, at that time the economic modellers identified further significant additional benefits to the wider local economy and regeneration efforts from the Barnsley Market Gate Bridge.

Genecon's Barnsley Growth model estimates that the bridge's pro-rata contribution to GVA will be +£6.31m and gross land value uplift £1.32m.

The latest BCR calculation has been amended to incorporate the increase in costs and relative risk of the scheme but also now includes the wider regenerative economic benefits above. This on the basis that these align with both the SY MCA *Strategic Economic Plan* and Barnsley *Place-based Investment Plan* ambitions.

The BCR calculated on a like for like basis without the additional benefits would be 0.91, but with the land value uplift only (given the greater uncertainty and potential double counting of some elements of GVA forecasts) 1.02

With the acknowledgment of the wider benefits of the scheme then the inclusion of £2.5m South Yorkshire Renewal Fund (Gainshare) in the funding package does still represent poor-medium value for money.

## 5. RISK

*What are the most significant risks and is there evidence that these risks are being mitigated?*

The risk register included in the original FBC was related to the impending planning and delivery stage. That phase is now largely complete, and all costs are now known, final and contracted and therefore the risks are no longer relevant.

*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 for the scheme?*

No

*Are there any key risks that need to be highlighted in relation to the procurement strategy?*

No

## 6. DELIVERY

*Is the timetable for delivery reasonable?*

The original timetable proved to be ambitious given the dependence on the utility works. However the remaining actions with scheme opening in October 23 would appear reasonable.

*Is the procurement strategy clear with defined milestones?*

n/a

*What is the level of cost certainty and is this sufficient at this stage of the assurance process? Has the promotor confirmed they will cover any cost overruns?*

100% cost certainty. The council has covered a significant element of the increase costs.

*Has the promoter demonstrated clear project governance and identified the SRO? Has the SRO or other appropriate Officer signed of this business case?*

Yes clear project governance in place. Document signed

*Has public consultation taken place and if so, is there public support for the scheme?*

Yes

*Are monitoring and evaluation procedures in place?*

This is being planned and carried out at programme level

## 7. LEGAL

*Has the scheme considered Subsidy Control compliance or does the promoter still need to seek legal advice?*

The original business case established that the scheme was exempt from state aid (as was applicable at the time).

## 8. RECOMMENDATION AND CONDITIONS

<b>Recommendation</b>	Proceed to contract
<b>Payment Basis</b>	Defrayal
<b>Conditions of Award (including clawback clauses)</b>	
Prior to release of grant funding: 1. Remaining TCF grant to be drawn down 2. Confirmation that required GBF and TCF output delivery milestones have been met	