

Assurance Summary



Scheme Details

Project Name	D0029 Bus Shelters	Type of funding	Grant
Grant Recipient	SYPTE	Total Scheme Cost	£1,117,253
MCA Executive Board	TEB	MCA Funding	£1,117,253
Programme name	Gainshare	% MCA Allocation	100%

Appraisal Summary

Project Description	
<p><i>Is it clear what the MCA is being asked to fund?</i> Yes. Replacement of 148 dilapidated and life expired shelters</p>	
Strategic Case	
<i>Scheme Rationale</i>	<p><i>Does the scheme have a clearly stated rationale and provide a strong justification for public funding?</i> Yes, to fulfil the Mayor's pledge in the Transport Strategy "to ensure people feel safe when they travel and invest in our streets to make them more attractive places" Yes – the responsibility for shelters has always rested with SYPTE and this is essentially a capital renewal scheme.</p>
<i>Strategic policy fit</i>	<p><i>How well does the scheme align with the strategic objectives of the SEP and RAP?</i> Well aligned – especially re access to employment, Fairer and Greener.</p>
<i>Contribution to Carbon Net Zero</i>	<p><i>Does this scheme align with the strategic objective to achieve Carbon Net Zero?</i> Implicitly, although there is no quantification/monetisation of this impact</p>
<i>SMART scheme objectives</i>	<p><i>State the SMART scheme objective as presented in the business case.</i> No commitment to measuring outcomes against objectives is made</p> <p><i>Is there a 'golden thread' between the strategic objectives (see 3.2) and the scheme objectives (see 3.8)?</i> No</p>
<i>Options assessment</i>	<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> Yes, partially. The decision to have bus shelters is part and parcel of the decision to provide bus services and this is a proposal to replace facilities that are not performing as required, such that to not replace/renew them would tangibly worsen the service, although no analysis of actual demand for these particular shelters is given in quantified terms. It is stated that many more are needed (Option 4), so this will not by itself provide a complete solution to the problem.</p>

Statutory requirements and adverse consequences	<p><i>Does the scheme have any Statutory Requirements?</i></p> <p>No</p> <p><i>Are there any adverse consequences that are unresolved by the scheme promoter?</i></p> <p>No although optimum location of shelters need to be considered by the promoter before installation.</p>
--	---

Value for Money

Core monetised Benefits	<p><i>[Core BCR – table 4.22]</i></p> <p>None calculated</p>	Non-monetised and wider economic benefits	<p><i>[Values/description – supplementary form]</i></p> <p>None provided other than “Customers will be presented with a better customer offer” (p9)</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>Unknown. The risks once the units are installed is that patronage at these stops continues to drop in line with trends prior to the pandemic. This is being mitigated by actions elsewhere to promote and support public transport. The assumption is made that the contractor (DSL) can make and deliver the units by the end of Feb 2022. Discussions have been ongoing.</p>	<p><i>Do the key assumptions and uncertainties present any significant risks to achieving the value for money?</i></p> <p>Unknown. There is no doubt that shelters provide users with basic comfort and some security, but whether they will be sufficient to retain/improve other aspects of bus service is another question. The importance of them to users is well established however, so that not renewing them when due would be viewed adversely. The risks that they will not be used would normally be avoided by siting appropriately, which is the PTE’s area of expertise.</p>
--	--

Value for Money Statement

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?

This is provided in section 6.8. Clearly it is considered by the promoter that there are no risks at all other than delays due to the Assurance process. There must also be risk that even if ordered at the end of October, the units cannot be delivered in time for the funding.

No.	Risk	Likelihood (High, Med, Low)	Impact (High, Med, Low)	Mitigation	Owner
1	Conditions of Gainshare funding dictates delivery by 31st March 2022 and therefore could place funding at risk.	H	M	SYPTE are working through the MCA assurance process as quickly as possible to mitigate risk. Relevant contractors have also been made aware of the need for products and services, however, are unable to commence manufacture until orders are raised with a required lead time of 3 months.	Steve Mumford / Jim Coe
2	The Mayoral Combined Authority has an expectation for delivery to be completed within these timescales, therefore placing the MCA at reputational risk.	H	M	SYPTE are working through the MCA assurance process as quickly as possible to mitigate risk. Relevant contractors have also been made aware of the need for products and services, however, are unable to commence manufacture until orders are raised with a required lead time of 3 months.	Steve Mumford / Jim Coe

3	Adverse public and political reaction to non-achievement of delivery project delivery within timescales.	H	M	SYPTe are working through the MCA assurance process as quickly as possible to mitigate risk. Relevant contractors have also been made aware of the need for products and services, however, are unable to commence manufacture until orders are raised with a required lead time of 3 months.	Steve Mumford / Jim Coe
---	--	---	---	---	-------------------------

Do the significant risks require any contract conditions? (e.g. clawback on outcomes)

We do not have complete assurance that no problems will emerge in producing the new shelters and delivering them within the available time.

Are there any significant risks associated with securing the full funding of the scheme?

No – 100% Gainshare

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

No – the existing contract to be extended.

In

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?

100%

Has the promoter demonstrated clear project governance and identified the SRO?

Yes, an organogram is provided

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 - the Mayor's Bus Review 2019 identified this problem but specific locations have not been consulted on

Are monitoring and evaluation procedures in place?

No

Legal

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

Not clearly – but it is unlikely that the subsidy to any person is involved as the goods to be provided are for the benefit of the public generally.

Recommendation and Conditions

Recommendation	Proceed to Contract
Payment Basis	Defrayal
Conditions of Award (including clawback clauses)	
Conditions in contract –	
<ul style="list-style-type: none"> Standard clawback 	

