

## 1 – SCHEME DETAILS

<b>Project Name</b>	Bike Works Active Travel Hub – Barnsley Town Centre (previously known as The Seam ATH) – CRSTS03-3	<b>Type of funding</b>	Grant
<b>Grant Recipient</b>	Barnsley Metropolitan Borough Council	<b>Total Scheme Cost</b>	£951,373
<b>MCA Executive Board</b>	n/a	<b>MCA Funding</b>	£951,373
<b>Programme name</b>	CRSTS	<b>% MCA Allocation</b>	100%
<b>Current Gateway Stage</b>	OBC resubmission	<b>MCA Development costs</b>	£288,000
		<b>% of total MCA allocation</b>	30% (of current scheme value)

## 2 – PROJECT DESCRIPTION

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

In January '23 the MCA approved the OBC for the Barnsley Town centre Active Travel Hub (ATH) with a value £2.1m and awarded development funds of £240k. The ATH was planned to be in the County Way car park as part of a new masterplan for the area known as 'The Seam'. The new ATH was going to replace the existing ATH at Barnsley Interchange, as part of ambitious plans for 'The Seam' at Barnsley's Digital Campus. However, since the submission of the OBC, Barnsley Council has determined that the Seam project is no longer financially viable and the project has closed, so the proposal for the new ATH in this location has also had to be shelved.

Recognising that there is still a need to enhance the active travel offer in the town centre and change the way the existing ATH is operated, the proposal has been developed to increase / improve the offer in the existing Active Travel hub at the Interchange by expanding into adjacent vacant units, reconfiguring the space, taking the running of the Hub into the Councils operation and undertaking a refurbishment / rebranding exercise with new stock and facilities.

Given the reduced scope and grant requirement, the OBC has been resubmitted for approval with the FBC to follow shortly as the plans/ costing for the new unit are firmed up.

The investment will be used for the following:

- Provision of extending, refurbishing, rebranding and restocking the existing Active Travel Hub at the Interchange
- Provision of new bikes, e-bikes and ancillary equipment (helmets, fobs etc)
- Update / restock of bike repair equipment
- New computer systems for booking
- Procurement of design team / architect / surveyor to undertake the remodelling design work

- Provision of new mobile hub vehicle and stock
- Marketing material to advertise the new Hub and mobile unit
- Scheme evaluation and monitoring following reopening – increase in number of hires / repairs / trainings etc
- Internal Governance – Cabinet reports, Ward Member briefings etc
- Procurement and construction, including contract administration, supervision and compliance with Construction Design Management (CDM) Regulations.
- Liaising with the local Cycle Forums and area Committees; and
- Liaising with key businesses / stakeholders in the area to promote / encourage use

The total project costs include an element of abortive costs in relation to the SEAM proposal and thus explain why the development costs represent a significant proportion of the total costs.

The operation of the new ATH will require additional revenue funding and an allocation of 3 x £100k has been agreed from CRSTS Revenue although further clarity is required as to whether the slipped timing of that funding to 26/27 is still acceptable to the MCA.

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></p> <p>The OBC set out a clear strategic fit and contributions from this scheme which align with the SEP, are provided and the details are sufficient and clearly outlined.</p> <p>What are set out in the objectives are the overarching objectives of BMBC and the MCA in relation to active travel. Whilst the tie-in of this project to those objectives is understood, the OBC should set out the specific measures of what this project will specially contribute to achieving those outcomes. More specific Objectives will be required at FBC with short to medium term timelines.</p> <p>The other do-something options considered are alternative locations for the ATH alongside other commercial developments. The rationale behind the choice of the Preferred Option is clearly defined in the OBC. The other shortlisted options are reasonable based on the type of scheme. The other discounted options do not need to be appraised.</p>
<i>Statutory requirements and adverse consequences</i>	<p><i>Does the scheme have any Statutory Requirements?</i> <i>Are there any adverse consequences that are unresolved by the scheme promoter?</i></p> <p>There do not appear to be any wider impacts which will require planning approvals, etc.</p> <p>However, the project will be dependent on engagement with the SYMCA as owners of the existing and proposed premises for ATH Hub. Agreement has been made in principle for the additional space subject to detailed design and approval.</p>
<i>FBC stage only – Confirmation of alignment with agreed MCA</i>	

<i>outcomes (Stronger, Greener, Fairer).</i>		
<b>4. VALUE FOR MONEY</b>		
<b>Monetised Benefits:</b>		
<b>VFM Indicator</b>	<b>Value</b>	<b>R/A/G</b>
<i>Net Present Social Value (£)</i>	£668k	
<i>Benefit Cost Ratio / GVA per £1 of SYMCA Investment</i>	1.68	
<i>Cost per Job</i>		
<b>Non-Monetised Benefits:</b>		
<i>Non-Quantified Benefits</i>	<p>Economic Value - Facilitates the loan of bikes and provides bike training thus enabling more of the residents of Barnsley to access employment.</p> <p>Net Carbon Value - A positive scheme that should reduce emissions and improve air quality by encouraging modal shift from private car to walking &amp; cycling.</p> <p>Social Value - Improved social value, providing connectivity to key employment / leisure sites via public transport access. Positive impact on health &amp; wellbeing</p>	
<b>Value for Money Statement</b>		
<p><i>Taking consideration of the monetised and non-monetised benefits and costs, and the uncertainties, does the scheme represent value for money?</i></p> <p>Based on the details provided and the associated AMAT and cost files, the Preferred Option is the one which provides the higher economic value.</p> <p><u>Benefits</u>  The basis of the monetised benefits is that there will be 60% increase in cycle trips through loaned bikes compared to the peak of the operating of the existing ATH in 2019/20. It has also been assumed that by nature of the active travel hub operation and location, it is highly likely that almost all cycle-based trips at the hub will be part of a wider multi-modal journey, therefore the capacity to increase walking as part of new cycle trips is also accounted for under the same methodology for cycling. This is on the assumption that increased capacity in the loan fleet will lead to a proportionate increase in cycling and walking trips. There is also an assumption that the operation of the mobile hubs across the expected operating days will produce the same proportionate uplift. The mobile hub is untested in terms of take up of bike loans and translation to miles cycled/walked and so there is a risk to the level of uplift assumed. However, it is also possible that the extra storage available will also be a factor in driving up the miles cycled/walked and so in the round the 60% is probably reasonable.</p>		

## Costs

The cost used in the calculation of the BCR include estimated future delivery costs and risks. It is usual for projects to follow TAG guidance in the calculation of the BCR and take the risk figure out of the project costs and include instead an allowance for Optimism Bias. For transport projects the suggested level for OBC is 23%. It is possible to use the calculated risk figure instead of OB if there is a strong argument that it fully reflects the risk to costs and represents a more prudent approach. The risk figure included represents around 10% of the base future project costs and therefore would suggest that could understate the potential risks to value for money.

However, in considering the sensitivities, when flexing the costs in the AMAT then there would have to be a significant increase in the costs to take the BCR to less than 1.

Based on the costs and monetised benefits, the BCR represents low value for money and therefore is sensitive in particular, to the level of uplift in cycling. A 25% reduction in that uplift would result in a BCR below 1.

## 5. RISK

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

The top 5 risks are set out below which do appear to capture the key risk areas. The OBC includes a Quantified Risk Assessment and a Risk Strategy which sets out the methodology used to determine and value the risks and how they will be managed.

No.	Risk	Likelihood (High, Med, Low)	Impact (High, Med, Low)	Mitigation	Owner
1	Permission from SYMCA to extend into adjacent unit.	Medium	Medium	Regular meetings with SYMCA / Asset team	Project Manager
2	Refurbishment is delayed – resulting in reopening being delayed	Medium	Medium	Regular project / programme meetings with Assets	Project Manager
3	Failure to maintain support	Medium	Medium	Ensure robust support and communication plan.	Project Board
4	Viability of AT hub for commercial operators	Medium	Medium	Now to be taken in house	Project Manager
5	Stage funding is insufficient	Medium	Medium	Pre scheme estimates and cash flow projections are robust	Project Board

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

There are no contract conditions required except for SYMCA (as landlord) to provide permission for extending into the adjacent unit.

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

n/a

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

Based on the level of the scheme, there are no risks to the procurement strategy.

## 6. DELIVERY

*Is the timetable for delivery reasonable?*

Yes the dates provided for delivery look reasonable.

*Is the procurement strategy clear with defined milestones?*

Barnsley Council will use its in-house contracting teams to undertake the required works. The dates have also been provided under Management Case

*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?*

The level of costs certainty is 60%. A detailed risk assessment has been provided which identifies risks which are built into the grant figure and are sufficient at this stage. The revised grant figure includes the abortive costs associated with the development of the Seam proposal.

The promoter has confirmed that any overruns on cost will be discussed with the Project Board to identify potential mitigating actions and agree a course of actions.

Within the Operating Model submitted as an appendix the OBC they committed to keeping the ATH operating for 5 years which was a condition of the previous OBC approval. They have stated that any additional running costs over the CRSTS Revenue grant allocation will be covered by BMBC Strategic Transport service for the first 3 years of the hub. They are anticipating that the operational costs for years 4-5, will continue to be secured through grant funding. However, should funding not be secured then BMBC can commit to covering the costs for the hub through the strategic transportation and the central maintenance budget.

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

Yes the OBC provides details on the proposed project governance including the SRO (the Exec. Director for Growth & Sustainability).

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

Yes - public was consulted through online consultation in late 2020 and then in 2022. The 2022 public consultation shows that 63% want more bikes for loan which supports the need for the proposed scheme. Further consultation will be carried out regarding the new location

*Are monitoring and evaluation procedures in place?*

Yes details on the M&E procedures are set out. However, because the M& E plan is aligned to the objectives, as these are all based around the overall objectives and outcomes of the CRSTS programme, they are not specific to the objectives this project will deliver. Further clarity will be required as to the specific measures that will be monitored to demonstrate that this project has been a success and contributed to the wider programme outcomes.

## 7. LEGAL

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

The Councils has determined that as SYMCA is awarding the subsidy to the Highway Authority whose purpose is to carry out highway improvements in the public highway for the benefit of the end users of the Borough of Barnsley and not providing services on a market on a commercial basis because the provision of roads and footways are at nil cost to the end users, the test for a measure to be a subsidy is not met. This is reasonable.

## 8. RECOMMENDATION AND CONDITIONS

<b>Recommendation</b>	Approval to OBC and to proceed to develop the FBC
<b>Payment Basis</b>	Up-front payment of any remaining development funding up to the maximum of £288,000
<b>Conditions of Award (including clawback clauses)</b>	

### Conditions to Submission of FBC

- SMART Objectives should set out the specific measures of what this project will specially contribute to achieving the programme outcomes with relevant dates for achievement link to the short to medium term. (e.g. The number of bicycles parked or rented over a given time period, or the amount of respondents to questionnaires (post engagement) who say they are more likely to cycle as a result of the information and facilities provided or the numbers participating in the DR bike or Mobile Hub sessions).
- M& E plan to be structured around the specific scheme objectives.
- Confirmation of agreement to CRSTS Revenue funding for operating years 1 to 3.
- Confirmation / evidence of lease agreement with SYMCA for extended premises.
- BCR to be calculated following TAG guidance and include detailed rationale as to assumptions for costs and benefits.
- Transport supplementary form to be submitted consistent with FBC and showing compliance with TAG guidance.
- Sensitivities to be evidenced to show impact on and risks to VfM.
- Revised Subsidy Control position assessing against the principles within the Subsidy Control Act.

### Conditions of contract award

- Clawback - If demand is not sufficient and the facility is required to close within 5 years the MCA contribution should be repaid.