

Mayoral Combined Authority Board

09 January 2024

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?	No
Has it been included on the Forward Plan?	No

Director Approving Submission of the Report:

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Report Author(s):

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Executive Summary

This report seeks:

1. Approval of two project change requests;
2. To provide an update on the ZEBRA 2 submission to DfT and requests approval to accept any resulting grant;
3. To provide an update on Project O0214 and request acceptance of grant award.
4. Acceptance of additional highways maintenance and traffic signal obsolescence grants and onward award; and,
5. Progression of one investment scheme subject to conditions set out in the Assurance Summary

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

This report is seeking approval for one change request, one scheme investment, and to enter into contracts for investment proposals which will support the MCA's aspirations.

Recommendations

This report recommends that the Board considers:

- a. Approval of a SYMCA led project change request for “Zero Emission Buses” and commitment of a further £0.28m to be funded from the CRSTS ZEBRA allocation, as detailed in 1.3
- b. Approval of a Barnsley Metropolitan Borough Council led project change request for “Market Gate Bridge” and commitment of a further £1m to be funded from recycled Local Growth Fund, as detailed in 1.4
- c. Note the update on the ZEBRA 2 submission to DfT and requests approval to accept any resulting grant.
- d. Note the update on Project O0214 detailed in Appendix B and request acceptance of grant award.
- e. Acceptance of £3.99m of additional highways capital maintenance funding from DfT and onward award.
- f. Acceptance of £0.33m of Traffic Signal Obsolescence grant funding from DfT and onward award.
- g. Progression of “Bike Works Active Travel Hub” from Outline Business Case to Full Business Case and in principle approval to award £0.95m to Barnsley Metropolitan Borough Council subject to the conditions set out in the Assurance Summary
- h. Delegate authority to the Head of Paid Service in consultation with the Section 73 and Monitoring Officer to enter into legal agreements for the schemes above

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

Programme Board

22 November 2023

Programme Board

06 December 2023

1. Background

- 1.1 This report seeks approval from the MCA Board for a project change request of one capital scheme, progression of one investment scheme, acceptance of three grant awards, onward award and note the submission of a proposal to DfT for ZEBRA 2 and acceptance of any subsequent grant award. These requests reflect a time-critical opportunity.
- 1.2 Further details are provided on the proposals in the main body of the report.

Project change Request Approval

- 1.3 **South Yorkshire Mayoral Combined Authority
Zero Buses Emissions
Additional Funding Request: £0.28m**

In July 2022 the MCA were awarded £8.35m of ZEBRA funding and £2.68m of CRSTS funding to provide a boost to the region’s strategic aims, with the first phase of a transition to Zero Emission buses in South Yorkshire.

The project introduced 27 new single decker electric buses and the related infrastructure which will contribute to improving local air quality across the region and as such. The project will deliver health benefits through the replacement of diesel buses with electric, improving the lives of commuters, residents, and workers along the proposed corridors for the ZEBs.



As part of the project a budget estimate was included in the business case for power upgrades by Northern Power Grid. Further work has, however, identified that more power is needed at Rotherham Interchange than previously envisaged resulting in the need for an additional substation at a cost of £0.28m.

Without additional resource the project cannot proceed as planned. This report proposes that £0.28m be allocated from uncommitted elements of the CRSTS funding set aside for ZEBRA activity.

The current CRSTS programme has £6.83m allocated to the ZEBRA project with only £2.68m is currently committed. Should the Board approve the use of this resource £3.87m will remain available for further activity.

1.4 **Barnsley Metropolitan Borough Council Market Gate Bridge Additional Funding Request: £1m**

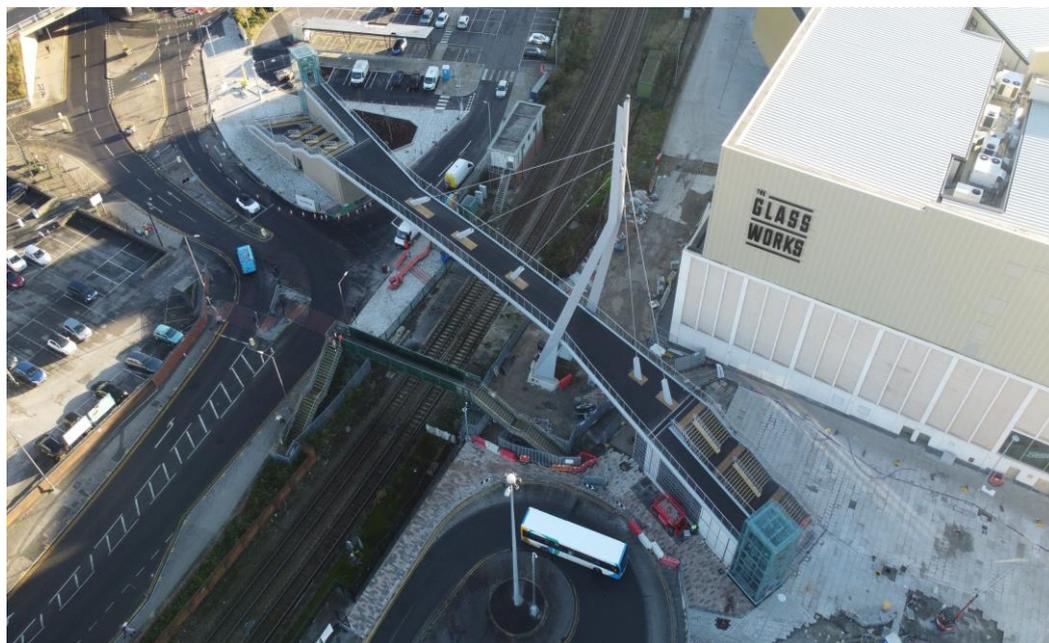
In July 2021 the MCA approved the Market Gate Bridge Scheme with funding from the Transforming Cities Fund (£2.8m) and Getting Britain Building Fund (£2m) programmes.

Due to extensive delays caused by the main contractor going into administration and diversion of uncharted gas mains the scheme encountered increased costs and additional works which resulted in an additional request of £3.1m from Gainshare funding, which was approved by the MCA.

As the construction of the Barnsley town centre pedestrian bridge and associated public realm improvements nears completion, the project has experienced a number of changes to the specification and construction detail. These can be categorised as follows;

- changes to the drainage detail in and around the public realm;
- changes to the hard and soft landscape finishes;
- vehicle / pedestrian incursion measures;
- make up and fill detail to address level differences; and,
- extension of time for professional fees, temporary bridge and football traffic management.

These variances have become apparent as construction activity in these areas nears conclusion and additional funding of £1m is now sought to facilitate the scheme's conclusion.



Without additional resource the project cannot proceed as planned. This report proposes that £1m be allocated from recycled Local Growth Fund allocated to Barnsley based activity. Additional funding at this level does not materially affect the benefit cost ratio, with the scheme continuing to represent value for money.

Submission of Funding Proposals

1.5 Department for Transport ZEBRA 2 Proposal Proposal Value - £8.92m

The Government's Zero Emission Bus Regional Areas 2 (ZEBRA2) fund launched in September 2023 and is aimed at supporting the transition of diesel bus fleets to zero emission alternatives. This is the second round of ZEBRA funding to be released by the Department for Transport (DfT). SYMCA successfully secured 27 buses through the previous round.

As the Local Transport Authority (LTA), SYMCA can bid for one application to the ZEBRA2. A bid can only be made if there is a willing operator – or multiple willing operators - as they will be required to operate, maintain and fund the majority of the vehicle purchase, with ZEBRA2 funding comprising 75% of the additional cost difference between a diesel and an electric bus.

In South Yorkshire, First and Stagecoach have both expressed interest in applying with SYMCA for ZEBRA2 funding. Stagecoach can financially support an application for their Holbrook and Ecclesfield depots in Sheffield and First can support a bid for their depot in Doncaster, both to transition to EV operation. There is no match funding proposed from SYMCA, with the operators meeting the additional 25% required to purchase the vehicles and supporting infrastructure.

The proposal has support of the Portfolio lead for Transport and the 4 South Yorkshire Local Authorities.

This report seeks approval to accept any funding should the submitted bid be successful.

Grant Acceptance and Onward Award

1.6 Department for Transport Additional Highways Capital Maintenance Funding Acceptance of £3.99m and Onward Award

On 4 October 2023, the government announced £8.3 billion of additional highways maintenance funding over the period 2023 to 2024 and the next 10 years for local road resurfacing and wider maintenance activity on the local highway network. This funding is in addition to local transport funding from the last Spending Review and in addition to what LAs were expecting in future.

The settlement letter advises that the funding is for local highways maintenance, particularly for the resurfacing of carriageways, cycleways, and footways to prevent potholes and other road defects from occurring, as well as tackling other asset management priorities, such as keeping local bridges and other highway structures open and safe. This is consistent with South Yorkshire's deployment of previous maintenance allocations (including current CRSTS).

South Yorkshire Mayoral Combined Authority has been allocated £1.99m for financial year 2023-24 and a further £1.99m for 2024-25. Due to the Streets Ahead PFI arrangement the region's allocation does not include resource for Sheffield City Council.

Funding for places that receive CRSTS funding will be included within total CRSTS allocations, once finalised, and are additional to both existing CRSTS1 funding and the indicative further CRSTS allocations announced on 4 October 2023.

The funding will result in the following allocations:

Local Authority	2023/24	2024/25
Barnsley Metropolitan Borough Council	£602,175	£602,175
City of Doncaster Council	£801,010	£801,010
Rotherham Metropolitan Borough Council	£590,815	£590,815

1.7 Department for Transport Traffic Signal Obsolescence Grant Acceptance of £0.325m and Onward Award

On 14th November 2023, the Government announced an automatic allocation of £10m of Traffic Signal Obsolescence grant to be shared across all local authorities and MCAs who are, or prior to CRSTS allocations were, in receipt of Integrated Transport Block (ITB) annual awards for maintenance.

From this SYMCA have been allocated £325k in financial year 2023/24. Due to the Streets Ahead PFI arrangement the region's allocation does not include resource for Sheffield City Council.

The funding will result in the following allocations:

Local Authority	2023/24
Barnsley Metropolitan Borough Council	£98,178
City of Doncaster Council	£130,596
Rotherham Metropolitan Borough Council	£96,236

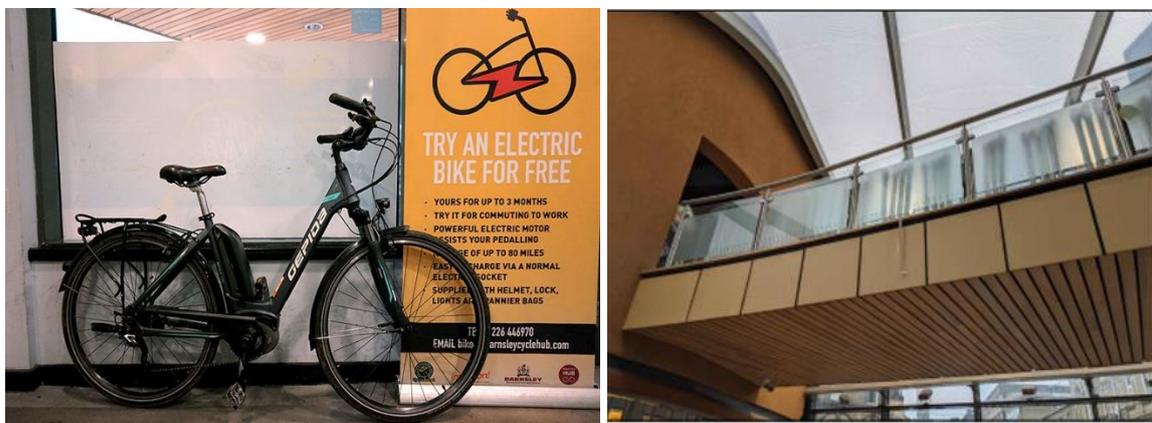
Business Case Scheme Approval

1.8 Barnsley Metropolitan Borough Council (BMBC) Bike Works Active Travel Hub (CRSTS03-3) Progression to FBC and In-Principle Approval of Funding

BMBC are seeking £0.95m capital grant to support this town centre Active Travel scheme.

In January 2023 the MCA approved £2.1m capital grant for the Outline Business Case (OBC) for the Barnsley Town Centre Active Travel Hub (ATH). The ATH was planned to be in the County Way car park and was going to replace the existing Hub at Barnsley Interchange, as part of the ambitious plans for the The Seam at Barnsley Digital Campus. BMBC have since determined the project no longer viable and have provided an updated OBC for consideration.

The new proposal has been developed to increase / improve the offer in the existing Active Travel Hub at Barnsley 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.



Benefits and Outcomes:

- 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
- 60% increase in cycle trips through loaned bikes

Appendix A provides a summary of the project assurance and any suggested conditions of award.

2. Options Considered and Recommended Proposal

2.1 Option 1

Approve all recommendations.

2.2 Option 1 Risks and Mitigations

Approval of the progression of the investment propositions will result in a commitment being made against the programme budget and continuation of activity.

2.3 Option 2

Reject some, or all, of the recommendations.

2.4 Option 2 Risks and Mitigations

Rejection of the recommendations in this report would mean the region foregoing the forecast benefits arising from the investment and the delivery of the activity at risk.

2.5 Recommended Option

Option 1

3. Consultation on Proposal

3.1 Discussions for this proposal has continued with the Portfolio Leads and SYMCA business partners.

4. Timetable and Accountability for Implementing this Decision

4.1 Subject to the approval of the recommendations and approval by the MCA, the Head of Paid Service in consultation with the Section 73 Officer and Monitoring Officer will progress to enter into legal agreements for the schemes.

5. Financial and Procurement Implications and Advice

5.1 All proposals presented within this report can be fully funded from available grant resource.

6. Legal Implications and Advice

6.1 The legal implications of the proposal have been fully considered by a representative of the Monitoring Officer.

7. Human Resources Implications and Advice

7.1 None.

8. Equality and Diversity Implications and Advice

8.1 Equality and diversity implications are taken into account as part of the proposal considerations

9. Climate Change Implications and Advice

9.1 Climate change implications are considered as part of the proposal considerations.

10. Information and Communication Technology Implications and Advice

10.1 None

11. Communications and Marketing Implications and Advice

11.1 The approval provides positive opportunities to highlight the difference the MCA's investments will make to people and places across South Yorkshire and how Members are taking action to support the region's recovery from COVID.

List of Appendices Included

Appendix A – Assurance Summary - Bike Works Active Travel Hub

Appendix B – Project Oo214 Detail

Background Papers

None.