

## Transport Board

### Local Transport Centrally Managed Programmes Update

#### Purpose of Report

To provide Board with an update on current activity and issues in the three South Yorkshire centrally managed local transport programmes.

#### Thematic Priority

Secure investment in infrastructure where it will do most to support growth.

#### Recommendations

That members of the Board:

- Advise of any specific questions they have in relation to the programmes or any topics that they would like covered in greater detail within future reports.

## 1. Introduction

- 1.1 There are currently three centrally managed local transport programmes within South Yorkshire, the Integrated Transport Block (ITB), Highways Capital Maintenance (HCM) and Sustainable Travel Access Fund (STAF).
- 1.2 These allocations are delivered by the four local authorities and SYPTTE with the programme management function delivered on all partners' behalf by the LTP Team.

## 2. Proposal and justification

### 2.1 ITB

The 2020-21 ITB settlement is £8.428m and in addition £1.015m was brought forward from the previous year. This is used for delivery of local transport projects based on individual partner priorities whilst still contributing to the agreed SCR Transport Strategy.

- 2.2 Initially COVID impacts restricted delivery of the programme however this was short lived while partners adjusted to the situation. The annual profile was re-organised to bring forward desktop activities such as feasibility and design of projects with implementation re-scheduled for later in the year. This has enabled the programme to continue to be productive and minimise the negative effects of shutdown. As

restrictions have eased on the ground delivery has been able to increase, although this still needs to be completed in line with social distancing requirements.

- 2.3** The latest forecast for annual delivery is currently good with most projects still planned to be delivered in full. There are a couple of exceptions to this where the re-scheduling has not yet been completed, it is possible that this will lead to delay or a request to defer. Options for these are being investigated further with partners.
- 2.4** ITB has minimal restrictions within the grant conditions, this includes not having full in-year spend requirements. Most other programmes do require a specific annual spend profile to be met so resources are often prioritised against these programmes in order to meet spend targets and preserve the availability of all allocations. This means that the current high expectation on delivery may be affected by resources being re-allocated to other programmes, e.g. Transforming Cities Fund (TCF) or the Emergency Active Travel Fund. To monitor this position and understand any issues or opportunities created the annual forecast will be reviewed continually throughout the year.
- 2.5** 2020-21 is the final year of the current settlement period and currently there has been no advice from DfT on successor funding for local transport programmes. It had been expected that this would be clarified through the Comprehensive Spend Review but current circumstances mean the schedule for this is not known. This creates a high level of uncertainty for the ITB programme, Strategic Transport Group are considering the implications and options for this.
- 2.6** HCM
- The initial 2020-21 HCM settlement is £12.219m with a further £1.206m brought forward from 2019/20. This is used by BMBC, DMBC and RMBC for the ongoing management and maintenance of the highway network assets. SCC don't receive an HCM allocation as their programme is delivered through the PFI arrangements.
- 2.7** During May DfT announced an additional allocation of maintenance and pothole funding for the region of £13.605m. The settlement letter for this has not been released yet so any specific grant conditions are currently unknown.
- 2.8** The early impacts of COVID were similar to ITB and on the ground delivery was initially restricted to emergency works. Road teams were able to return to work quickly although the need to adhere to social distancing has slowed work down, e.g. workers have been unable to share vehicles in the usual way which has limited the availability of staff.
- 2.9** There are opportunities for the delayed works to be recovered during the year however the conditions of the new funding and the need to integrate with other investment programmes, e.g. TCF, may also have an effect on delivery of the core HCM programme. As with ITB the standard HCM conditions do not prohibit carry over of funding so this could be a lower priority when considering the allocation of resources.
- 2.10** The HCM settlement is aligned to the ITB so this is also the final year with no known successor programme. DfT have demonstrated their commitment to maintenance funding through the increased allocation however planning beyond this financial year remains uncertain.

## **2.11**    STAF

The 2020-21 STAF allocation of £2.5m is a one-year extension to the original programme which ran from 2017-20, this programme is due to expire in March 2021. This is the DfT's latest iteration of competitive funding programmes for active travel which started with LSTF in 2011.

- 2.12**    Project sponsors reacted quickly to the impacts of COVID and looked for ways in which the programme delivery profile could be changed to contribute directly to the pandemic response whilst still delivering the objectives of our successful DfT submission. A strong example of this is the redesign of the cycle loan scheme to target key workers and improve their options for travelling to work sustainably.
- 2.13**    Delivery of some activities was impacted as third party service providers had to make decisions on the furloughing of their own staff. Where possible we have offered opportunities to prevent this, for example through the re-scheduling of activities so that desk-based work has been concentrated into the recent period. Communications activities have also been revised with an increased focus on digital contact whilst face to face options are limited.
- 2.14**    A key focus now is supporting the return to work process, working with large employers to provide advice and information that promotes active travel as the first option for returning staff. Our external providers are also bringing staff back in and re-opening projects which increases our capacity to deliver.
- 2.15**    The early steps taken have minimised the impact and reduced the risk of the programme not delivering in full, this status is under continual review with project sponsors. DfT have already advised that due to COVID it will be acceptable for STAF recipients to carry funding forward into next year however the ambition locally is still to try and deliver in full this year. This is increasingly important in the current climate of changing travel habits.

## **3.    Consideration of alternative approaches**

- 3.1**    ITB and HCM activities are essential to delivery of the Transport Strategy. They provide the foundation transport network to enable the strategic and transformational investments which support achievement of the regional ambitions. Without a reliable and efficient basic network the value of the more significant activities would be reduced. Therefore not delivering these projects or programmes has not been considered.
- 3.2**    Increasing Active Travel is a regional and national priority. The STAF programme provides travellers with the knowledge and skills required for them to take the opportunity our investment in infrastructure provides. The benefits produced from the capital infrastructure would be compromised without the revenue support provided by this programme. This is also subject to annual reporting back to DfT and non-delivery could result in loss of the allocation. For these reasons 'do-nothing' is not an option.
- 3.3**    The allocations within these programmes are monitored throughout the delivery period to maximise productivity and maintain suitability of the investments. This process can provide opportunity to consider re-allocating funding to alternative projects that still meet the programme priorities and conditions.

## 4. Implications

### 4.1 Financial

No directly arising from this report however the uncertain future of funding sources for these programmes prevents planning beyond this financial year.

### 4.2 Legal

All programmes are delivered in accordance with the grant conditions stipulated by DfT in the settlement documents.

### 4.3 Risk Management

Project and programme risks are managed through the partnership programme management regime and reported through Strategic Transport Group. From this reporting can be escalated through to Transport Executive Board and Transport Board.

### 4.4 Equality, Diversity and Social Inclusion

Equality, Diversity and Social Inclusion has been actively considered in the design of all projects within these programmes.

## 5. Communications

5.1 None directly arising from this report.

## 6. Appendices/Annexes

6.1 None

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references: n/a