

## GREATER MANCHESTER COMBINED AUTHORITY

Date: 25 June 2021

Subject: The Mayor's Cycling and Walking Challenge Fund (MCF)

Report of: Andy Burnham, Mayor of Greater Manchester, Portfolio Lead for Transport and Eamonn Boylan, Chief Executive Officer, GMCA & TfGM.

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### PURPOSE OF REPORT:

To note and approve the funding requirements set out in the following report, in order to ensure the continued delivery of the Mayor's Challenge Fund programme for Walking and Cycling.

### RECOMMENDATIONS:

The GMCA is requested to:

1. Approve the release of up to £0.573 million MCF funding for the Manchester Beswick Phase 2 scheme, in order to secure full approval and enable the signing of the necessary legal agreements, as set out in section 2 of this report.
2. Approve the release of up to £11.88 million MCF funding for the Greater Manchester Bike Hire scheme (Phase 1), in order to secure full approval and enable the signing of the necessary legal contracts for the scheme, as set out in section 2 of this report (and approve TfGM entering into such contracts).

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BOLTON  
BURY

MANCHESTER  
OLDHAM

ROCHDALE  
SALFORD

STOCKPORT  
TAMESIDE

TRAFFORD  
WIGAN

**Equalities Implications:**

The City Centre Transport strategy is a sub-strategy to the Greater Manchester Transport Strategy 2040 documents which aim to contribute to delivering sustainable economic growth, improve quality of life and protect the environment. The original GM Transport Strategy 2040 was the subject of an Integrated Assessment which includes an Equalities Assessment. In addition, an EQIA is being undertaken on the CCTS.

**Impacts Questionnaire**

Impact Indicator	Result	Justification/Mitigation	Guidance
Equality and Inclusion		The assessment has advised that the responses do not indicate that an Equalities Impact Assessment needs to be completed.	<b>See Equalities Impact Assessment Result</b>
Health		GM Cycle Hire will provide access to bikes for people who currently don't have such an opportunity, enhancing the potential for healthy, active travel, whilst also providing access to healthcare facilities through the additional transport provision that the scheme will provide.	
Resilience and Adaptation		Not applicable in this case.	
Housing		Not applicable in this case.	
Economy		Not applicable in this case.	
Mobility and Connectivity		These proposals will benefit transport connectivity through the provision of GM Cycle Hire as a new transport service, providing access to opportunities and services. It is also envisaged that an element of mode shift for shorter journeys will help alleviate congestion.	
Carbon, Nature and Environment	N/A	As set out in the carbon assessment, the GM Cycle Hire scheme will effectively provide a publically accessible transport service which will enhance access to key facilities and opportunities. The Beswick Phase 2 scheme will enhance existing area-based active travel facilities and routes, with both scheme proposals supporting enhanced access for pedestrians and cyclists.	<b>See Carbon Assessment Result</b>
Consumption and Production		Not applicable in this case.	

Contribution to achieving the Greater Manchester Carbon Neutral 2038 target.	The Active Travel Fund programme has been designed to support and expedite delivery of a network which is designed to facilitate a switch from a mechanised mode to walking or cycling, which will see a reduction in both local pollutants and greenhouse gases. By 2040 130,000 daily trips are expected to switch to cycling and walking from private car and taxi use. This equates to around 735,000 less
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**Climate Change Impact Assessment and Mitigation Measures –**

The Mayor's Cycling and Walking Challenge Fund programme has been designed to support and expedite delivery of a network which is designed to facilitate a switch from a mechanised mode to walking or cycling, which will see a reduction in both local pollutants and greenhouse gases. By 2040 130,000 daily trips are expected to switch to cycling and walking from private car and taxi use. This equates to around 735,000 less vehicle kilometres being driven per day, with the resultant environmental benefits.

## Carbon Assessment

Overall Score 

Buildings	Result	Justification/Mitigation
New Build residential		
Residential renovation or maintenance		
New Build Commercial/Industrial		
<b>Transport</b>		
Active travel and public transport		
Roads, Parking and Vehicle Access		
Access to amenities		
Vehicle procurement		
<b>Land Use</b>		
Land use		

### Risk Management:

The recommendations of this report will directly support MCF scheme delivery and enable prioritised infrastructure spend. This will directly assist in mitigating the programme risk of not fully expending the available budget. A programme risk register is maintained and updated by the TfGM MCF programme team.

### Legal Considerations:

Legal Delivery Agreements and Contracts will be produced and implemented for full scheme and development cost approvals as appropriate.

### Financial Consequences – Revenue:

Revenue consequences are set out in paragraphs 2.5, 2.8 and 2.11

### Financial Consequences – Capital:

Financial consequences are set out in paragraphs 2.5, 2.8 and 2.11.

**Number of attachments to the report:** No attachments

## Comments/recommendations from Overview & Scrutiny Committee

### BACKGROUND PAPERS:

- 28 June 2019 – Mayor’s Cycling & Walking Challenge Fund
- 29 November 2019 - Mayor’s Cycling & Walking Challenge Fund
- 05 May 2020 – Mayor’s Challenge Fund Update and Prioritisation
- 26 June 2020 – Mayor’s Challenge Fund Cycling and Walking Financial Approvals
- 31 July 2020 – Mayor’s Challenge Fund Cycling and Walking Financial Approvals
- 02 September 2020 – Mayor’s Challenge Fund Cycling and Walking Financial Approvals
- 25 September 2020 – Mayor’s Challenge Fund Cycling and Walking Financial Approvals
- 30 October 2020 - Mayor’s Challenge Fund Cycling and Walking Financial Approvals
- 27 November 2020 - Mayor’s Challenge Fund Cycling and Walking Financial Approvals
- 18 December 2020 - Mayor’s Challenge Fund Cycling and Walking Financial Approvals
- 29 January 2021 - Mayor’s Challenge Fund Cycling and Walking Financial Approvals
- 12 February 2021 - Mayor’s Challenge Fund Cycling and Walking Financial Approvals
- 26 March 2021 - Mayor’s Challenge Fund Cycling and Walking Financial Approvals
- 28 May 2021 – Governance and Cycling and Walking Financial Approvals

<b>TRACKING/PROCESS</b>		
Does this report relate to a major strategic decision, as set out in the GMCA Constitution.		Yes
<b>EXEMPTION FROM CALL IN</b>		
Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?		No exemption.
GM Transport Committee	Overview & Scrutiny Committee	
GM Transport Committee	Overview & Scrutiny Committee	

## **1. INTRODUCTION**

- 1.1 On 29 March 2018, GMCA agreed to allocate £160 million of Greater Manchester's £243 million Transforming Cities Fund (TCF) to develop a Mayor's Cycling and Walking Challenge Fund (MCF).
- 1.2 The fund is being used to deliver the first phase of the Bee Network, which is the walking and cycling element of the Our Network plan to transform Greater Manchester's transport system. The Bee Network, once complete, will cover circa 1,800 miles and be the longest, integrated, planned network in the country connecting every neighbourhood of Greater Manchester. The initial network plan was contained in Greater Manchester's cycling and walking infrastructure proposal (adopted by GMCA in June 2018), as part of a GM Streets for All highways improvement programme.
- 1.3 On 29 June, 28 September, 14 December 2018 and 29 March, 28 June, 29 November 2019, GMCA sequentially approved Tranches 1 to 6 of the Mayor's Cycling and Walking Challenge Fund, granting schemes Programme Entry. In total this comprised 82 cycling and walking schemes with a forecast MCF funding requirement of £358.5 million, and a forecast overall value of £492.7 million, including local contributions.
- 1.4 Following the over-programming of the MCF and the creation of an infrastructure pipeline, on the 5 May 2020 GMCA approved the first phase of Bee Network delivery, based on identified District priorities. This phase has a forecast value of £216.5 million.
- 1.5 The £216.5million includes an allowance for MCF programme management costs. The additional c£66.5 million of funding required to deliver the overprogrammed element of the first phase of the Bee Network delivery will be sought from a combination of the additional funding announced in the recent Spending Review for Active Travel in 2021/22 over and above the (Emergency) Active Travel Fund and from other sources including the IntraCity Transport funding for Combined Authority areas that was also announced in the Spending Review.
- 1.6 This paper recommends funding approvals associated with the ongoing implementation of the Bee Network through the Mayor's Cycling and Walking Challenge Fund, and includes approvals for full scheme delivery. This is a monthly funding approval paper in support of MCF programme delivery.

## **2 MCF FULL SCHEME APPROVAL**

- 2.1 Over the last 3 years, TfGM has been working closely with scheme promoters to set up and progress the projects in line with the agreed governance arrangements, in particular those agreed on 25 May 2018 and continues to

utilise TfGM's established Cycling & Walking Infrastructure Support Team to provide collaborative support to Local Authority partners.

- 2.2 Following Programme Entry, Local Authority partners can proceed with the development of their schemes, including progressing the necessary powers and consents, prior to obtaining either Conditional Approval and/or Full Approval of their scheme Business Cases.
- 2.3 Having previously received MCF Programme Entry, delivery of the **Manchester Beswick Phase 2** and **Greater Manchester Bike Hire** (Phase 1) schemes is now recommended for Full Approval, requiring a total MCF contribution of £12,452,595. In the case of Manchester Beswick Phase 2, Full Approval will enable the release of delivery funding via legal delivery agreements. In the case of Greater Manchester Bike Hire (Phase 1), Full Approval will enable the release of funding to allow TfGM to enter into a contract with the preferred supplier, for the implementation and operation of Phase 1 of the scheme.

#### BESWICK PHASE 2

- 2.4 The Beswick Phase 2 scheme has been subject to a full business case review, undertaken by the MCF Programme Teams, which concluded that the scheme fulfilled the required five-case criteria (Strategic, Economic, Management, Financial and Commercial). This recommendation was endorsed by the Cycling and Walking Programme Board on 3 May 2021, and was subsequently reported to the GM Cycling and Walking Board via written procedures.
- 2.5 The Manchester Beswick Phase 2 scheme has an MCF Funding ask of £572,595, which is the sole source of funding. Phase 2 follows on from the previously approved Phase 1 scheme (total cost of c£1.4 million), and will complete a filtered neighbourhood, with localised closures, new crossing points and junction improvements. Located within the central Manchester urban area, the Phase 2 scheme will address concerns associated with high traffic flows, speeds, and negative road safety perceptions for cyclists and pedestrians.

#### GM BIKE HIRE

- 2.6 The Greater Manchester Bike Hire (Phase 1) scheme has a total MCF funding ask of £11.88 million, which is inclusive of previously approved development cost funding of £1.31 million. The MCF funding will be supplemented through income from bike hires and sponsorship.
- 2.7 The total funding ask has been informed by the commercial and contractual terms proposed by the preferred supplier (subject to the expiry of the ongoing 'standstill' period), who will design, implement and operate the scheme under a five year service contract. The preferred supplier has been selected following an extensive procurement exercise; including financial due diligence. The preferred supplier has experience of implementing and operating similar schemes elsewhere in England.

- 2.8 The procurement exercise included members of the Cycle Hire Joint Management Board, attended by senior officers from TfGM, Manchester City Council, Salford City Council, Trafford Council and Stockport Council. The preferred supplier recommendation has been subject to review and scrutiny by TfGM's Executive Board; and the Full Business Case is currently being finalised and will also be subject to review and scrutiny, prior to contract signature, by the TfGM Executive Board.
- 2.9 The first phase of the scheme is for of a five-year contract term and will see the establishment of a dock-based scheme in the Regional Centre, with dock locations in Manchester, Salford and Trafford. The initial launch of the scheme is currently scheduled from November 2021, continuing through to Spring/Summer 2022 at which stage there will be around 1,500 bikes on the ground (including 300 ebikes).
- 2.10 The first phase of the scheme will be situated across 213 docking stations with an associated service system to facilitate public access and to co-ordinate the operational regime. The Service Provider's cost to implement the scheme, including associated design and build activities to the point of operation, equates to £2,613 per bike.
- 2.11 Once established, the intention - subject to securing further funding, is to expand the scheme across Greater Manchester. The contractual mechanisms for Phase 1 enable this expansion.
- 2.12 Collaboration with GM Local Authority partners has been a key part of the development of the first phase of the Bike Hire scheme and this approach will continue throughout the design, operation, implementation and further development of the scheme.
- 2.13 Full Approval of these two schemes would result in a total of 25 MCF work packages having secured full funding approval, with an associated total committed value of £55.9 million of MCF funding.

### **3 RECOMMENDATIONS**

- 3.1 The recommendations are set out at the front of the report.

**Eamonn Boylan**

**Chief Executive Officer, GMCA & TfGM**