

Greater Manchester Combined Authority

Date: 30th September 2022

Subject: City Region Sustainable Transport Settlement Governance and Assurance

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

Purpose of Report

To seek approval of the governance and assurance proposals for the City Region Sustainable Transport Settlement (CRSTS) programme including allocation of funding, and to seek approval for a specific CRSTS funding drawdown for the Rochdale-Oldham-Ashton Quality Bus Transit scheme.

Recommendations:

The GMCA is requested to:

1. Approve the proposed governance arrangements for CRSTS funded schemes, which include the assurance route and the funding allocation and draw-down approvals in relation to the Scheme List agreed by the GMCA on 24 June 2022.
2. Note that progress on scheme development and delivery will be reported through regular updates to GMCA, the GM Transport Committee and the GM Scrutiny Committee.
3. Subject to approval of the proposed governance arrangements, approve the release of up to £1.8 million of CRSTS funding to facilitate the development of the Outline Business Case (OBC) for the Rochdale-Oldham-Ashton Quality Bus Transit (QBT) scheme.

Contact Officers

Steve Warrener	0161 244 1025	steve.warrener@tfgm.com
Simon Warburton	0161 244 1275	simon.warburton@tfgm.com

Equalities Impact, Carbon and Sustainability Assessment: N/A

Equalities Implications:

Impacts Questionnaire		
Impact Indicator	Result	Justification/Mitigation
Equality and Inclusion	G	
Health	G	
Resilience and Adaptation		
Housing	G	
Economy	G	
Mobility and Connectivity	G	
Carbon, Nature and Environment	G	
Consumption and Production		
Contribution to achieving the GM Carbon Neutral 2038 target		
Further Assessment(s):	Equalities Impact Assessment and Carbon Assessment	
 Positive impacts overall, whether long or short term.	 Mix of positive and negative impacts. Trade-offs to consider.	 Mostly negative , with at least one positive aspect. Trade-offs to consider.
		 Negative impacts overall.

An EQIA has been undertaken for the overall CRSTS Quality Bus Transit (QBT) programme, covering all QBT corridors including Rochdale – Oldham - Ashton. The QBT programme and the Rochdale – Oldham – Ashton QBT scheme will provide accessibility benefits for all users through the provision of adequate footway widths and controlled crossings to current standards. All bus users will benefit positively from the anticipated improvements to bus journey times and reliability. The scheme will also provide accessible boarding facilities for bus passengers at bus stops along the corridor. The schemes are subject to detailed local engagement and consultation to ensure that the needs of all users are considered in producing designs which provide equity of access. All scheme proposals also undergo a detailed design assurance process, which takes into account national design guidance, the interim Greater Manchester Active Travel Design Guide and to Streets for All principles including review by the Streets for All Programme Board.

Climate Change Impact Assessment and Mitigation Measures:

The City Region Sustainable Transport Settlement Quality Bus Transit Programme will deliver improved bus journey times and more reliable services to attract more people to use the bus while also supporting more people to travel actively. Delivery of QBT will include interventions on this corridor in line with the roll out of zero emission buses and bus franchising on this corridor. Increasing the number of people travelling on buses

instead of private car is one critical step to reaching Greater Manchester’s targets for decarbonising transport.

Carbon Assessment		
Overall Score		
Buildings	Result	Justification/Mitigation
New Build residential	N/A	
Residential building(s) renovation/maintenance	N/A	
New Build Commercial/Industrial	N/A	
Transport		
Active travel and public transport		
Roads, Parking and Vehicle Access		Project does not include addition of EV charging points.
Access to amenities		
Vehicle procurement	N/A	
Land Use		
Land use	N/A	
No associated carbon impacts expected.		High standard in terms of practice and awareness on carbon.
		Mostly best practice with a good level of awareness on carbon.
		Partially meets best practice/ awareness, significant room to improve.
		Not best practice and/ or insufficient awareness of carbon impacts.

The QBT programme and Rochdale – Oldham – Ashton QBT scheme will support GM’s targets to reach net zero carbon. The scheme will deliver infrastructure that reduces bus journey times and improves the quality and reliability of bus services, thereby reducing fuel use. The scheme will make bus services on the corridor more attractive thereby supporting mode shift from private car to buses. Active travel connections to stops will also be enhanced, and the scheme will deliver better connectivity to the existing bus, tram and train networks. An Embodied Carbon Assessment has been completed for the project to enable reduction of embodied carbon through the design development process.

Risk Management

An assessment of the risks affecting schemes is undertaken at regular intervals throughout their development and delivery. In order to mitigate the risk of monetary claw back the full programme is carefully monitored against the grant conditions and further action would be taken as necessary.

Legal Considerations

Legal Delivery Agreements and legal side-letters will be produced and implemented for full scheme and development cost approvals as appropriate, with the relevant GM local authority partners.

Financial Consequences – Revenue

The CRSTS allocation includes the funding for Highways Maintenance Block, Potholes Fund and Integrated Transport Block, which GMCA will continue to receive as revenue grant funding. Over the five-year period of the programme this relates to £175m of the £1.07 billion allocation. Governance and assurance arrangements for this funding are reflected in this report.

Financial Consequences – Capital

The CRSTS capital funding from the £1.07 billion is £895m to be paid over the five-year period of the programme. Governance and assurance arrangements for this funding are reflected in this report.

A specific CRSTS funding drawdown of £1.8 million is requested from the CRSTS Programme for the ongoing development of the Rochdale – Oldham – Ashton Quality Bus Transit scheme.

Number of attachments to the report: None

Comments/recommendations from Overview & Scrutiny Committee

N/A

Background Papers

GMCA Capital Programme 2021/22 – 2024/25 - 11 February 2022

The Mayor's Cycling and Walking Challenge Fund (MCF) – 27 May 2022

City Region Sustainable Transport Settlement Draft Programme Case Interim Award – 25 March 2022

City Region Sustainable Transport Settlement – Final Scheme list – 24 June 2022

GM Capital Update Report – 29 July 2022

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution?

No

Exemption from call in

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

GM Transport Committee

N/A

Overview and Scrutiny Committee

N/A

1. Introduction

- 1.1 At the request of HM Government, the GMCA prepared and submitted a Programme Case to the Government's City Region Sustainable Transport Settlement (CRSTS) Fund in January 2022.
- 1.2 On 1 April 2022, the Secretary of State wrote to the GM Mayor to say that GMCA had been awarded an allocation of £1.07 billion of CRSTS funding, conditional on agreeing a final scheme list that will be subject to the GM Local Growth Assurance Framework.
- 1.3 The GMCA approved the scheme list on 24 June 2022, which was subsequently submitted in the form of a Delivery Plan for HM Government approval during early July 2022.
- 1.4 The Secretary of State for Transport wrote to the GM Mayor on 29 July 2022, confirming acceptance of GM's Delivery Plan.
- 1.5 On 29 July 2022, the GMCA approved the 2022/23 budget allocation of £105.7m, including local and match contribution, subject to the Greater Manchester Local Growth (Single Pot) Assurance Framework.
- 1.6 This report sets out the governance and assurance proposals for CRSTS funded schemes, which are in-line with the GM Local Growth Assurance Framework, including scheme business case and funding approvals and scheme funding drawdowns.
- 1.7 Subject to approval of the proposed CRSTS governance and assurance arrangements, approval is also sought for the release of up to £1.8 million of CRSTS funding to facilitate the development of the Outline Business Case (OBC) for the Rochdale-Oldham-Ashton Quality Bus Transit (QBT) scheme.

2. Assurance and Funding Approval Proposals

Accountability

- 2.1 Accountability for progressing CRSTS funded Programmes through the business case and gateway (SOBC, OBC and FBC) process, including the management of contingency, to which these proposals apply, is as follows:
- 2.2 TfGM Programmes:
 - Bus (including Zero Emission Bus)
 - Rail

BOLTON
BURY

MANCHESTER
OLDHAM

ROCHDALE
SALFORD

STOCKPORT
TAMESIDE

TRAFFORD
WIGAN

- Stops & Interchanges
- Future Metrolink
- HS2

2.3 Local Authority Partner Programmes:

- Streets for All (SFA) Town Centres/ Corridors
- Strategic Maintenance

2.4 It is proposed that the following Programmes will be managed and overseen in accordance with existing governance arrangements:

- Active Travel – existing Mayor’s Challenge Fund (MCF) governance and assurance arrangements to apply.
- Metrolink Renewals will be covered as part of the existing TfGM Metrolink Renewals and Enhancements assurance arrangements.
- Core Maintenance, Minor Works/ Road Safety (previously ITB) and Strategic Highways Maintenance – individual local authority governance and assurance will apply.

Assurance Route

2.5 Business Cases for each scheme will be developed in line with Government guidance, ‘The Green Book’ (issued by HM Treasury), which provides guidance on how to appraise policies, programmes and projects.

2.6 DfT’s appraisal guidance for transport schemes, known as ‘TAG’, will be adopted, which promotes the use of a proportionate approach by allowing discretion in the level of detail that is required, depending on the nature of the scheme.

2.7 To determine the appropriate (and proportionate) assurance route the scheme should follow, an assessment of the scheme’s risk and complexity will be undertaken by TfGM’s Audit and Assurance Team using the CIFTER Framework, which is an established component of existing assurance arrangements and was developed by the Global Alliance for Project Performance Standards.

2.8 At Strategic Outline Business Case (SOBC) stage, and prior to the SOBC Gateway Review, schemes will be submitted for a CIFTER assessment to determine the appropriate Assurance Route the scheme should follow.

- Route 1 – lower risk/ complexity
- Route 2 – higher risk/ complexity

- 2.9 For schemes following Route 1 assurance, appraisal and assurance will be applied in-line with the existing Growth Deal Minor and MCF Minor schemes.
- 2.10 For schemes following Route 2 assurance, appraisal and assurance will be applied in-line with the existing Growth Deal Majors and MCF Major Schemes.
- 2.11 At Full Business Case (FBC) stage (i.e. prior to construction), once the FBC is approved, a recommendation will be submitted to the GMCA to approve the draw-down of funding to enable full completion of the scheme.
- 2.12 Further detail in respect of the Streets for All (SFA) assurance processes will be the subject of further discussion with Local Authority partners and a further report to GMCA.
- 2.13 It should be noted that in the CRSTS funding settlement letter, Government also stated that 'some schemes will need to be retained by the Department (DfT) and have a scheme business case provided'. This requirement is in addition to the local GM Assurance Framework arrangements outlined above. Current 'retained' schemes include Bury Interchange; Tram-Train Pathfinder Infrastructure & Vehicles; and Golborne Station. The DfT has also stated more schemes could be added to the list of retained schemes. Work is ongoing with the DfT to confirm any additional requirements (in addition to those assurance arrangements set out above) to align with existing approaches.

3. Funding Draw-Down Proposals

- 3.1 Requests for Annual Funding Allocations for all Programmes within the Approved Scheme List will be included in the annual Capital Programme Budget reported to GMCA in February. Further requests for CRSTS Funding allocations will be included in the Quarterly Capital Update Reports or other specific Scheme Reports, as required.
- 3.2 Once GMCA approves the funding for the next stage of that Scheme's development/delivery, claims for funding draw-down can be made subject to the following:
- For Core Maintenance, Minor Works/ Road Safety (previously ITB) and Strategic Highway Maintenance Programmes, GMCA will make payments direct to Local Authority Partners, following approval of the budget allocation by the GMCA.
 - Schemes within the District Town Centre/ Corridor (SFA) Programme:
 - Local Authority Partners will enter into Development Side Letter Agreements at SOBC approval stage and Delivery Agreements at FBC approval stage.
 - Claims for capital funding draw-down will be submitted by Local Authority Partners to GMCA, via TfGM – every 3 months in arrears.

- For the Active Travel Programme, funding draw-down will be in accordance with existing MCF Programme requirements.
- For the Bus, Rail, Stops & Interchanges, Future Metrolink, HS2 and Metrolink Renewals Programmes, TfGM will submit its funding claims to GMCA following Business Case Approval at GMCA, in-line with existing arrangements.

4. CRSTS Delivery Progress Reporting and Scrutiny

- 4.1 Progress on delivery of the CRSTS funded Capital Infrastructure Pipeline will be reported on a regular basis to the GMCA, in addition to reports requesting funding drawdowns, to ensure GMCA is able to monitor and respond to any significant challenges or opportunities which arise as the programme develops.
- 4.2 Progress will also be reported to the GM Transport Committee which has a specific role to oversee the transport capital programme.
- 4.3 Finally, reports on the CRSTS programme will also be taken to the GM Overview and Scrutiny Committee, subject to agreement with the committee Chair, to ensure that the Committee is able to scrutinise programme delivery.

5. Rochdale-Oldham-Ashton Quality Bus Transit

- 5.1 Quality Bus Transit (QBT) forms a key element of the Bus Infrastructure Programme funded through the CRSTS and will actively contribute to the delivery of our overall ambition for Bus as set out in Greater Manchester's Bus Service Improvement Plan. The QBT programme includes whole-route upgrades to key bus corridors, with an emphasis on quality, reliability, supporting more active travel trips and the integration of bus into our town centres.
- 5.2 The programme will create a step-change in the experience of taking the bus for local journeys, addressing key barriers to bus travel including journey time, reliability, comfort and perception of safety at stops. It will also significantly improve access to the rapid transit network and Greater Manchester's town centres thereby supporting their ongoing regeneration.
- 5.3 GMCA approved the CRSTS Scheme List on 24th June 2022, which includes an allocation of £359m for the Bus programme that includes the Rochdale-Oldham-Ashton Quality Bus Transit (QBT) Scheme.
- 5.4 In line with the proposed assurance arrangements referenced above the Rochdale-Oldham-Ashton QBT scheme has been subject to a CIFTER assessment and as a result

it has been determined that this scheme will follow assurance route 2. As such business case reviews will be undertaken for the scheme at Programme Confirmation; Conditional Approval; Full Approval; and Close Out stages.

- 5.5 In parallel, a Strategic Outline Business Case (SOBC) has been approved for the overall QBT programme alongside a specific SOBC for the Rochdale-Oldham-Ashton corridor. The review concluded that both SOBCs had met the requirements of Gateway 0: Programme Confirmation and recommended their approval to progress the Rochdale-Oldham-Ashton QBT scheme through to the development of the Outline Business Case for Conditional Approval.
- 5.6 This report therefore requests the drawdown of £1.8 million of CRSTS funding to develop an Outline Business Case (OBC) for the Rochdale – Oldham – Ashton scheme. The scheme will be developed in conjunction with Rochdale, Oldham and Tameside Councils, who will be delivery partners with full responsibility to develop the scheme designs across their specific sections of the corridor in line with the strategic objectives of the scheme. TfGM will fulfil the role of scheme promoter, with overall accountability and responsibility for the development and coordination of the scheme and associated business case.

6. Recommendations

- 6.1 See front sheet.

Eamonn Boylan

Chief Executive Officer, GMCA & TfGM