Local Sustainable Transport Fund; monitoring and evaluation of outcomes.
(PTE/37/13)

Report of the Executive

1. 1. Introduction

1.1 The Authority, as the accountable body for the Local Sustainable Transport Fund (LSTF) has developed a plan for monitoring and evaluation of LSTF outcomes. This plan has been developed in accordance with Department for Transport (DfT) guidance and is a DfT mandatory requirement. However, it was not permissible to include costs associated with undertaking this work in the LSTF bid itself, at the outset. See note in 2.3

1.2 Approval is sought from the General Purposes Committee to undertake expenditure, using LSTF underspend from 2012-13 and LSTF Optimism Bias, to procure the required specialist external support to provide the DfT with the level and detail required. The Optimism Bias is an additional sum of money representing approx. 8% of the forecast cost of delivery of the programme and is included to protect against any under estimated costs.

2. Background

2.1 The DfT require the Authority, as the accountable body, to monitor LSTF progress and report on outcomes throughout the LSTF period and per our plan, in September 2016, 18 months after the funding stream ends.

2.2 As a result of existing DfT guidance available at the time of writing the bid, no LSTF funding was set aside or identified for monitoring and evaluation; decisions made at the time were to use established LTP monitoring regimes for LSTF.

General Purposes Committee
3 October 2013
2.3 However, in September 2012 the DfT published revised guidance regarding requirements for Monitoring and Evaluation of LSTF indicating a more detailed level of Monitoring & Evaluation should take place. In response to this guidance and following discussions with DfT, Merseytravel Officers have developed the Outcomes Monitoring Plan with all the LSTF partners.

2.4 Robust monitoring and evaluation of the success of our LSTF projects will provide a very valuable evidence base that will strengthen our ability to secure, not just for any future LSTF funding, but also wider funding streams. The Outcomes Monitoring Plan sets the scene for development of a sound evidence platform which will efficiently inform future scheme decisions.

2.5 It should be noted that while a robust evidence base is indeed a valuable tool for securing future funding, successful delivery of our LSTF schemes is also an extremely important factor in this process.

2.6 In the Outcomes Monitoring Plan, the DfT required us to identify costs associated with monitoring and final evaluation. The estimated costs are £374,500 and represent the cost of specific data and analysis that the LSTF Partners do not currently undertake.

2.7 The LSTF Board at their 13 August 2013 meeting approved the principle of the use of the unspent LSTF revenue, together with £257,931 of the Optimism Bias to finance the required monitoring and evaluation. The DfT have from the outset, always permitted the use of LSTF funding for monitoring and evaluation.

3. Proposals

3.1 The Outcomes Monitoring Plan will monitor outcome data on a work package basis. The estimated cost of monitoring and evaluation on a per package basis is shown below:

<table>
<thead>
<tr>
<th>LSTF Package</th>
<th>Cost (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working with Employers</td>
<td>£41,000</td>
</tr>
<tr>
<td>Travel Solutions</td>
<td>£10,000</td>
</tr>
<tr>
<td>Sustainable Transport Infrastructure</td>
<td>£265,500</td>
</tr>
<tr>
<td>Bus Services</td>
<td>£8,000</td>
</tr>
<tr>
<td>Meta-Evaluation</td>
<td>£50,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£374,500</strong></td>
</tr>
</tbody>
</table>
3.2 The costs have been calculated based on discussions with partners and with colleagues within Merseytravel to ensure that only the specific specialist work which cannot be undertaken within the Partnership is outsourced.

3.3 It is proposed that the General Purposes Committee approve the expenditure of LSTF monies for the purposes of LSTF monitoring and evaluation in line with the above, and for specialist consultancy support to be procured accordingly in line with procurement procedures on the premise that the potential for Merseytravel to develop an in-house capability to deliver this function is considered as part of the approach.

4. **Financial Implications**

4.1 In 2012-13 there was £117,069 of unspent revenue that could not be re-profiled into future years or used to supplement delivery of any other LSTF projects. There is also £1,619,571.00 of revenue in Optimism Bias.

4.2 There is provision in the Funding Agreement, as signed by all partners, for the Authority to re-profile partner funds to other projects or to cover other central costs associated with DfT requirements of LSTF delivery. This would be considered where projects are underperforming and delivery partners cannot provide evidence of a feasible course of remedial measures to bring projects back on track.

4.3 Alternative sources of funding will need to be identified from Partners if the use of LSTF monies for monitoring and evaluation is not approved, or there is a risk that the DfT may clawback funding for failure to comply with their requirements.

5. **Equality Impact Assessment**

An Equality Impact Assessment was conducted at the onset of the overall LSTF project in 2011.

6. **Environmental Implications**

The report contains no Environmental implications.
7. **Risk Implications**

7.1 A risk assessment has been carried out and there is a medium risk of impact to the organisation’s reputation and future funding streams, if the recommendations to spend on LSTF monitoring and evaluation are not approved, as this would mean that DfT requirements cannot be met.

7.2 Non delivery of projects and non-compliance with any DfT requirements not only have financial implications but also reputational ones for the Authority that may impact future funding opportunities.

8. **Recommendations**

It is recommended that:

(a) the contents of the report be noted;

(b) approve the proposal to use of LSTF monies to fund the required monitoring and evaluation; and

(c) approve the procurement of external resources to undertake this work accordingly.

**Background Papers**

None

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