

Report Title	Changes to Previously Approved Strategic Investment Fund Projects
Portfolio Holder	Portfolio Holder for Inclusive Economy and Third Sector
Summary of report	Approval is sought to process a material change control for previously agreed Strategic Investment Fund Projects.
Is this report exempt?	No
Is this a Key Decision	Yes - Financial and Community Impact
Is the report urgent	No
Is this decision to be exempt from call in	No
Local Authorities affected	All Local Authorities
Impact and implications of this report	
Financial impact	Yes (see para 4.2)
Delegation (s) sought	Yes, see recommendation 2 (a)
Supporting the Corporate Plan	A Fairer City Region X A Stronger City Region X A Cleaner City Region X A Connected City Region Yes A Vibrant City Region X
Climate Change Implications	No
Equality and Diversity implications	No
Social Value implications	No
Human Resources implications	No
Physical Assets implications	No
Information Technology implications	No
Legal implications	Yes (see paragraph 4.3)
Risk and Mitigation	No
Privacy implications	No

Communication and consultation implications

No

Contact Officer(s)

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Appendices

No

Background Documents

No

Liverpool City Region Combined Authority

Friday, 28 April 2023

Report of the Executive Director - Investment and Delivery and the Portfolio Holder for Inclusive Economy and Third Sector

CHANGES TO PREVIOUSLY APPROVED STRATEGIC INVESTMENT FUND PROJECTS

1. PURPOSE OF REPORT

- 1.1. This report seeks the approval of the Combined Authority to process material change controls for previously agreed Strategic Investment Fund Projects.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Liverpool City Region Combined Authority approve:
 - (a) the material changes to Smart Ticketing as requested by Merseytravel comprising an extension of time for completion of the Project to 31st December 2024 and additional funding of £1.7m to further develop and implement a rail accounted based ticketing solution.

3. MATERIAL CHANGES TO PREVIOUSLY AGREED PROJECTS

Smart Ticketing (Phase 1.5 – Transforming Cities)

- 3.1. The Smart Ticketing and Technology programme was initially awarded £1,396,000 funding on 6th December 2019 for Phase 1 and a further £1,533,495 on 31st July 2020 for Phase 1.5 from the Transforming Cities Fund (TCF).
- 3.2. The funding is to deliver a Liverpool City Region Smart Ticketing scheme (Phase 1) and to further develop the Smart Ticketing approach, enhance the customer experience, promote ticket sales, and increase the use of public transport, with an end goal of delivering a fully integrated, multi-model “Tap and Go” system in the future (Phase 1.5).
- 3.3. The project has encountered issues on the Smart Ticketing back-office system which required a change in supplier for the development of the Tap and Go solution. The new supplier was appointed in October 2022 and due to the delay, Merseytravel has requested a project extension to complete the required migration.
- 3.4. Merseytravel has requested additional funding of £1.7m following completion of procurement activities to further develop and implement a rail accounted based ticketing solution in collaboration with Merseyrail Electrics 2002 Limited (“Merseyrail”) to allow passengers to ‘Tap and Go with Phase 1 to be implemented by 31st March 2024.

Extension to Completion Date

- 3.5 Merseytravel are requesting an extension from 31st March 2023 to 31st December 2024. It is intended that this phase of the Smart Ticketing project will be completed by 31st March 2024 and a delivery timetable will be set to reflect this. However, a longer extension is recommended to give Merseytravel flexibility to manage implementation in an efficient and cost effective manner.

Increase in Funding

- 3.6 Merseytravel are requesting additional funding of £1.7m to further develop the Tap and Go solution.

4. IMPACT AND IMPLICATIONS

4.1. Supporting the Corporate Plan

A Connected City Centre

The proposed recommendation will support the Corporate Plan by strengthening integration and connectivity of the Liverpool City Region public transport system.

4.2 Financial

The approval of the change to the Smart Ticketing project (paragraph 3.6) will result in an increase in funding of £1.7m bringing total project costs to £4,649,495. This will be funded from TCF.

4.3 Legal

The recommendations within this report constitute a material change which will require a variation agreement to be signed by the Combined Authority and Merseytravel. This will be in the Combined Authority's standard format and reviewed by Legal Services. A minor administrative change will also be included in the variation agreement to clarify that spend during 2018/19 financial year is eligible for funding, which reflects the Combined Authority's previous decision approving funding for the Smart Ticketing project on 6th December 2019.

5. CONCLUSION

- 5.1. This report contains the information required for the Combined Authority to consider the changes requested by Merseytravel to the Smart Ticketing project, which will enhance the customer experience in using public transport throughout the Liverpool City Region.

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Delivery

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