



# Supertram Business Plan 2025/26



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SOUTH YORKSHIRE  
**SYMCA**



MAYORAL  
COMBINED  
AUTHORITY

# Executive Summary

Growing our economy is essential for South Yorkshire to achieve its potential. But this growth must be inclusive, sustainable and focussed if we are to succeed in building a bigger and better economy which will restore the pride, purpose and prosperity to our region. Transport is a key component in realising this good growth, and that is why good public transport is at the heart of our vision for a wealthier, healthier, happier and safer South Yorkshire, where everyone has the opportunity to stay near and go far.

A safe, reliable and accessible Supertram network is integral to achieving our vision of a world-class, integrated transport network, where clean, accessible trams can allow residents and visitors to access employment and education opportunities, to connect with friends and relatives, and to enjoy leisure and recreational activities.

Last year, after 27 years in the private sector, SYMCA brought the operation of our Supertram system back under public control. This gives us a further tool to drive growth through the development of an integrated transport network. And from day one, we have focussed on ensuring we provide a safe and customer focussed service whilst seeking opportunities to grow patronage and manage costs effectively. We have also commenced a multi-million pound renewal programme to improve the reliability of the assets, ensuring the system is fit for the future.

Since March 2024, we have seen patronage growth across the network, improved revenues, consistent timetable delivery and a renewed focus on cleanliness and customer service. We have invested in new systems to bring efficiencies to the operation, and replaced rails and overhead line equipment which were over 30 years old.

As we move into the second year of public ownership, this business plan highlights SYMCA's priorities for the Supertram system and the investment we will make over the next financial year. It includes measures around safety, improved customer service, potential timetable opportunities and the next year of asset investment. It has been developed to support our strategic aim of growing South Yorkshire's economy and focuses on ensuring we have a light rail system which people take pride in, which understands its purpose and supports the region's prosperity.

# Introduction

South Yorkshire is a region full of potential. World class universities, deep pools of highly skilled young people, cutting-edge innovative research, land available for housing and businesses – these all make South Yorkshire ripe for growth.

However we cannot ignore the challenges which need to be overcome to achieve our potential. Growth needs to be inclusive, allowing as many people as possible to contribute to and benefit from prosperity within the region. Growth needs to allow people to lead healthy lifestyles and address the health inequalities which we suffer from today. Growth also needs to support a net-zero carbon future.

Providing opportunities for residents and visitors to travel around our region is fundamental to unlocking the growth we need to transform our economy. A safe, reliable, clean, green and affordable public transport system, integrated with active travel infrastructure and facilities, forms one of the key building blocks to achieving our vision.

Now, through our ownership and control of the Supertram system, we can harness its potential to support growth in our region, which in return will bring growth to the Supertram network itself for the benefit of passengers, residents and businesses within South Yorkshire.



# A Foundation for Growth

The Supertram system opened in 1994. It was one of the first new generation of tramways which saw trams return to the streets of UK towns and cities, and quickly became embedded within the region as a safe and reliable form of transport. In 2018 the system was extended to Rotherham using innovative tram-train technology – the first in the UK – which has proved the concept of how light rail systems can grow using existing infrastructure. Today the network continues to provide an accessible, high frequency, zero carbon transport mode connecting people to employment, education and recreation.

Looking forward, the Supertram system will play a key role in our ambitions for a reliable, efficient and integrated transport system in South Yorkshire. As a mass transit system, the Supertram system benefits from the ability to move many passengers in an efficient manner. Through traffic priority measures and maximising the use of segregated running, it can use road space efficiently to carry more passengers than other transport modes, including buses and cars. The system stands ready as a key enabler to support growth along its corridors.

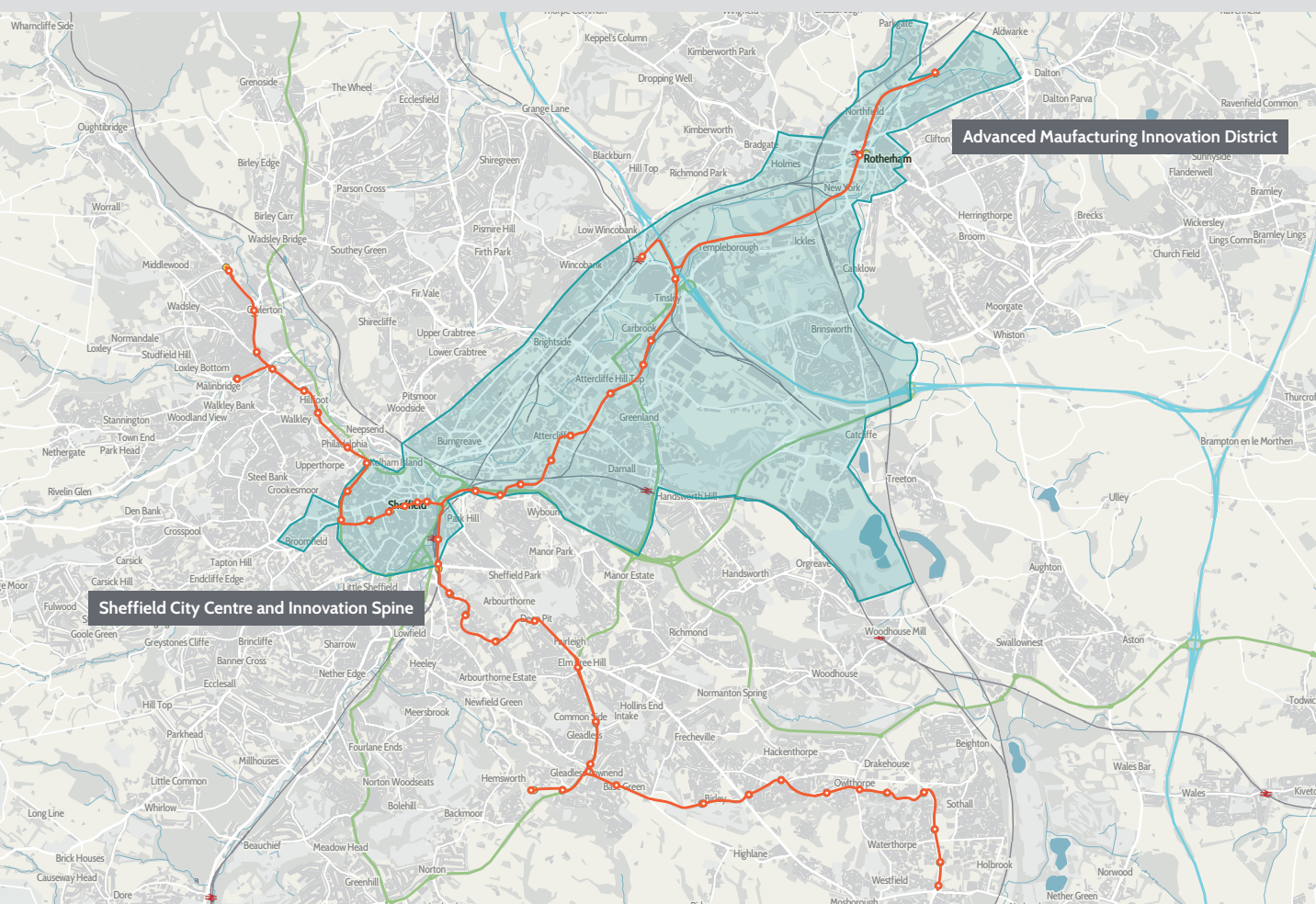


Our **Plan for Good Growth** identifies four Growth Areas within the region: Sheffield City Centre & Innovation Spine, Barnsley Town Centre, SY Airport City and the Advanced Manufacturing Innovation District (AMID). Stood together, these areas have the potential to deliver over 10,000 jobs and over £2bn to the region. By focussing on these areas, we will partner with investors to deliver the right mix of investment, innovation support, infrastructure, ingenuity and skills, and incentives to drive jobs, growth and investment.

The Supertram network passes through the heart of two of these areas, providing a valuable asset to drive growth.

## Sheffield City Centre and Innovation Spine

Much of the city centre lies within 800m of a tram stop (approximately a 15 minute walk), making the Supertram system ready to bring residents and commuters into the centre and along the spine. Alongside connecting into Park & Ride sites, the system serves Sheffield train station, both universities and key leisure areas.



**Map showing Supertram network in relation to Sheffield City Centre and Innovation Spine and the Advanced Manufacturing Innovation District**

## Advanced Manufacturing Innovation District

The AMID lies between Sheffield City Centre and Rotherham Town Centre and is already home to world-class translational innovation facilities including the Advanced Manufacturing Research Centre (AMRC), the Nuclear Advanced Manufacturing Research Centre (nAMRC), the Sustainable Aviation Fuels Innovation Centre (SAF-IC) and the Gene Therapy Innovation and Manufacturing Centre (GTIMC). These assets have attracted international companies such as Boeing, Rolls-Royce and McLaren and supported South Yorkshire scale up champions such as Gripple and AESSEAL.

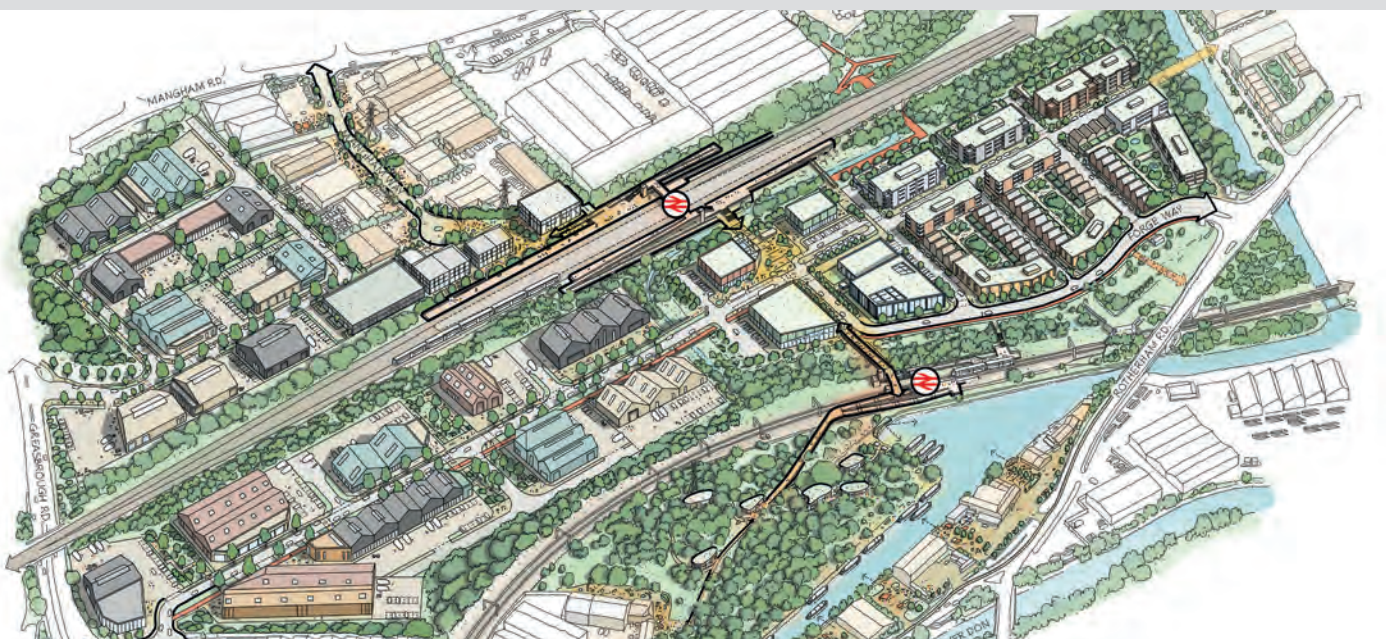
The Supertram system runs through the heart of the area, including the Tram Train route connecting Rotherham town centre to Sheffield city centre. It is well used by commuters to the district, and is ready to carry many more as investment continues.

Alongside our Plan for Good Growth, there is also the **Sheffield City Centre Strategic Vision** and **Sheffield City Centre Priority Neighbourhood Frameworks**. These set out how the city centre

will evolve and develop to support future jobs, homes and leisure activities. The Supertram system will play a key part in supporting new development sites, such as Castlegate, Neepsend and Kelham Island, and in encouraging access to the city centre as part of a high-quality public transport network.

The **Rotherham Town Centre Masterplan**, recognises the importance of the Tram Train service as a sustainable form of transport to connect people to the town centre as it expands its leisure and housing activities alongside a more diverse retail offer.

The planned **Rotherham Integrated Mainline and Tram Train station** will significantly improve the regional rail connectivity from Rotherham, potentially with improved connections to Sheffield, Doncaster, Manchester, Leeds, York and Newcastle. The tram-train service will ensure access to and from stops on the Supertram network, especially supporting access to Rotherham Town Centre and Parkgate Park and Ride.



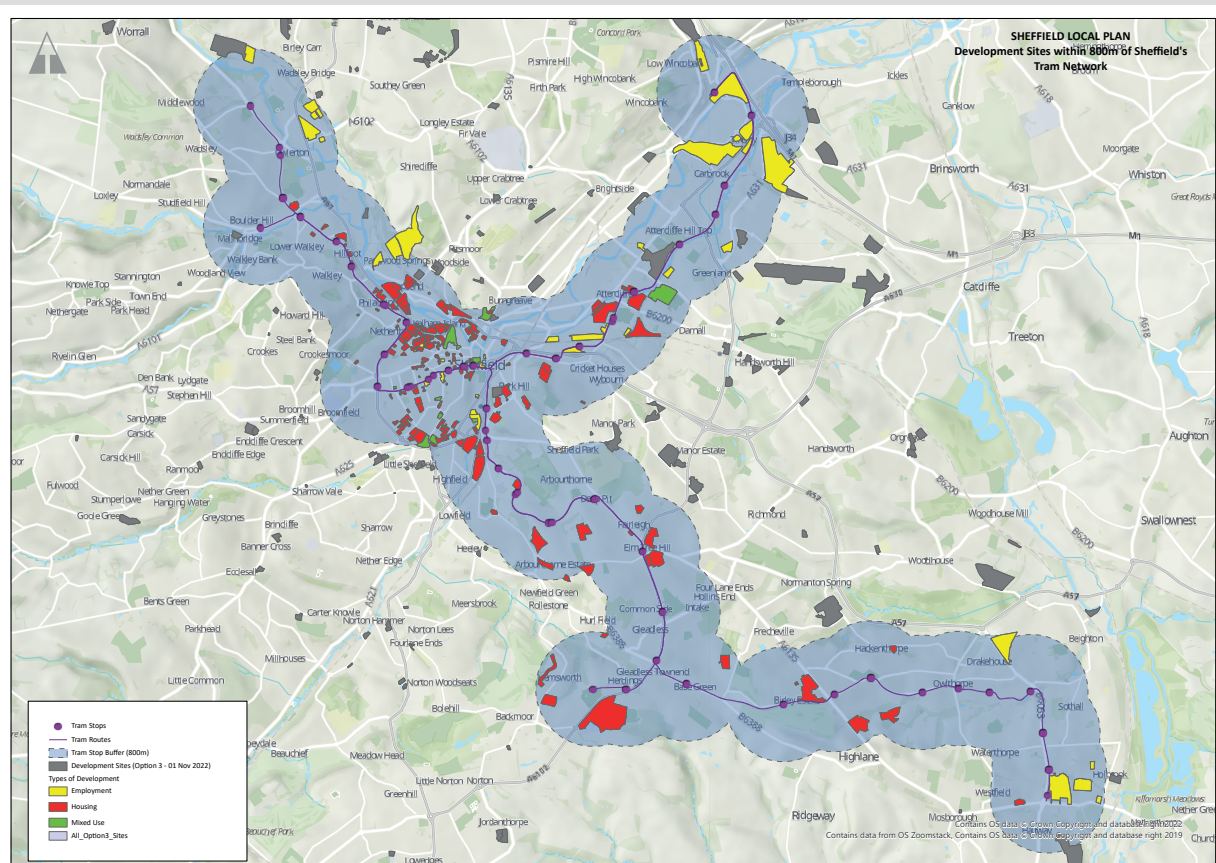
*Masterplan around the planned Rotherham Integrated Mainline and Tram Train station*

## Local Transport Plan

Our emerging Local Transport Plan, which will be brought to board later this year, recognises the role tram plays in building our integrated public transport network, combined with healthy streets to enable people to walk, wheel and cycle to support leading active lives.

## Development sites

Sheffield City Council have also set out within their Draft Local Plan the importance of the tram in providing the transport capacity needed to enable housing development. It also prioritises growth through densifying land close to the tram network, which will contribute to growing patronage. Many planned development sites outlined within the Draft Local Plan are situated within an 800-metre radius from the network, which encompasses around 40,000 housing units and 2.37 million square metres of employment floorspace. Over 80% of these developments are expected to be completed between 2025 and 2030, indicating significant potential for growth in the near future.



*Map of development sites within 800m of the tram network*

The existing tram network is ready to support the growth opportunities we have strategically identified. Options are also being explored to consider how the footprint of our tram network could grow to connect even more people to even more places.

## A New Start for a Trusted Brand

Last year, the operations of the Supertram system returned to public ownership after 27 years in the private sector. This bold move gives SYMCA the tools we need to support our strategic plans for growth, including our ambitions to build a world-class integrated public transport network for our residents, businesses and visitors. It also means the operation of the system can be more closely aligned to the interests of our communities.



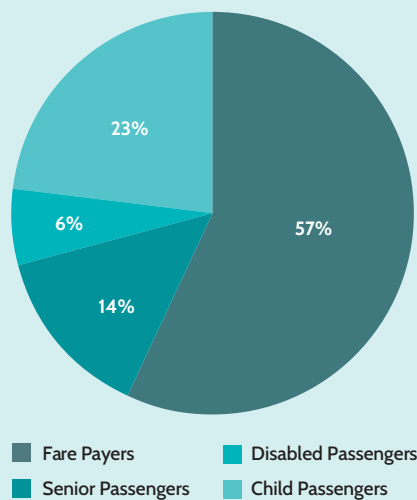
### Challenges and Opportunities

The Supertram system continues to benefit from high levels of passenger satisfaction, especially compared to other transport modes. We know that passengers value the speed at which the tram gets them to their destination, and the convenience and frequency of services. We also know that passengers appreciate the accessibility of the system in relation to level boarding and on-board announcements. The system is powered by electricity generated from renewable sources, meaning every journey is a step towards fighting the climate crisis and improving our air quality. The system is also critical for those with no other transport options, with high patronage amongst children, disabled and elderly passengers.

However, despite this satisfaction, over recent years we have seen a decline in patronage. Part of this is due to reasons common across all public transport modes, such as changing work patterns post Covid-19 and increased congestion on the roads which has caused journey times to worsen. This is partly due to the reliability and customer offer afforded by the trams and infrastructure, much of which is original to the system.

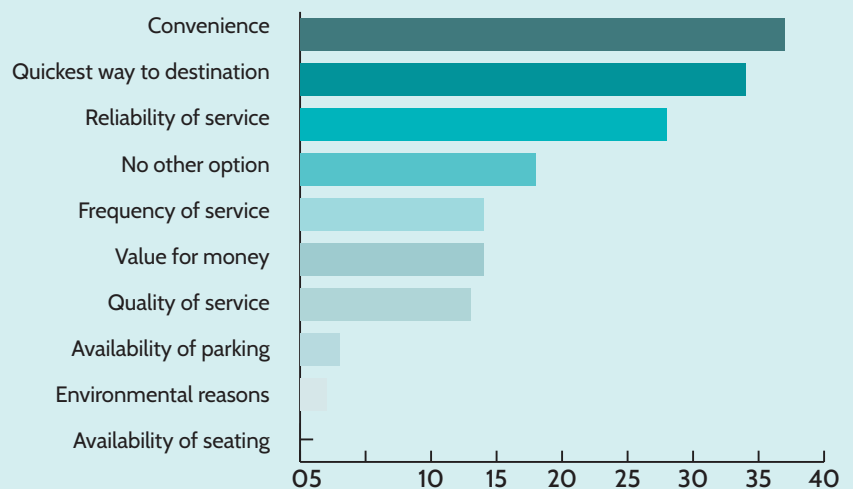
For the tram to meet our strategic aims, we need to attract more people onto the system. This means focussing on what matters to customers – providing a safe and reliable network which people feel confident using. To achieve this, investment is needed: investment in assets to improve reliability, investment in customer experience to bring people onto the network, and investment in staff development to enable them to reach their full potential.

## Split of Passenger Journeys

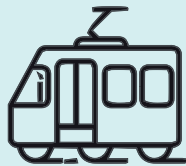


Source = 12 month passenger data

## Why do you choose to use the tram?

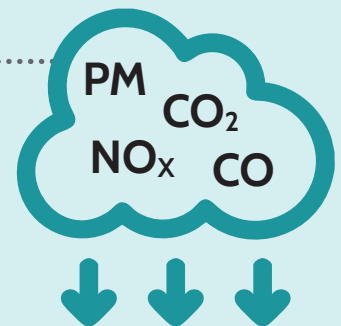


# 100%

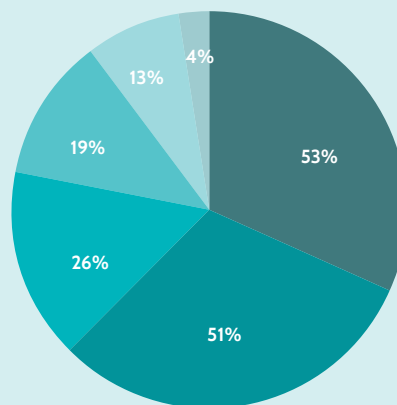


of trams and tram stops  
accessible with level boarding

## No roadside emissions



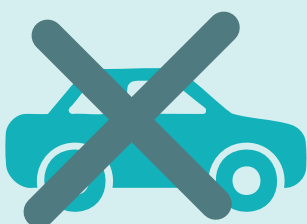
## 100% energy used generated from renewable sources



Thinking about  
your tram use in  
the last year, for  
what reasons do  
you travel?

Shopping Travelling to/from work Travelling to/from an appointment  
Leisure Visiting friends/relatives Travelling to/from education

Source = SYMCA Annual Travel Survey, 2024



# 26%

of households in South Yorkshire  
do not have access to a car

# Year One of Public Ownership

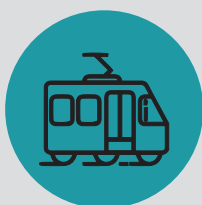
On 22nd March 2024, services transferred seamlessly into public ownership. This was a major change programme for both SYMCA and the operator.

The process was extensive. SYMCA established our own operating company, South Yorkshire Future Trams Limited (SYFTL) to manage the day-to-day running of the system, alongside ensuring the appropriate governance was in place (see Appendix A for more information on the governance structures).

New, modern office accommodation was secured in Sheffield City Centre to improve the working environment for drivers and conductors. New finance, HR, payroll and IT systems were installed. A new brand developed. A new app for purchasing tickets and planning journeys. Over 350 employees transferred into the new company. Certification was granted from the regulator to allow services to operate and a new Safety Management System was developed to demonstrate how the system is safely managed for our customers, staff and others who interact with the system.



**350 Employees**  
transferred under  
TUPE



**2,650 Services**  
operated  
per week



**£25.4m Operating**  
cost per annum



**c. 250 Operating**  
supply contracts/  
agreements put  
in place



**32 Trams**  
operated



**10m Customers**  
per annum



**£19.4m Income**



**1 Strategic tram**  
maintenance depot  
to operate safely &  
effectively



**£100m Capital**  
programme to be  
invested



**2 Employee work**  
locations, one in a  
new location



**29km Route**  
and lineside  
infrastructure



**1<sup>st</sup> Tram/Train**  
system






## Year One Operational Delivery

### The first year's business plan was centred around the following priorities:

- Delivering the best possible service for customers, working together with multi-modal industry partners, active travel and regional stakeholders to drive a safe, accountable and net-zero operation.
- Delivering our commitments, carefully developing efficiencies which manage cost and offer better value for money to customers and taxpayers in our region.
- Identifying opportunities to remove cost as passenger numbers recover, whilst creating the environment for and a business plan for growth.

To ensure performance could be managed effectively, a detailed delivery plan was developed which contains specific initiatives and Key Performance Indicators (KPIs) which measure performance throughout the year. These relate to areas around safety, customer, reliability (e.g. timetable delivery) and people.

Looking back over the first year of operations, performance has been strong. Key highlights include:

	<b>Safety and Compliance</b> The system continues to remain safe for passengers and staff, with all leading KPIs within target. Additional resource has been recruited and additional training has been provided at all levels, reflecting the importance placed upon safety.
	<b>Timetable Delivery</b> This has remained strong with over 96.6% <sup>+</sup> of services delivered. Throughout the year, additional services have been added where necessary, particularly for large events at the Sheffield Arena and Tramlines festival.
	<b>Patronage</b> We continue to see growth in patronage with more journeys being made compared to the previous year. This is despite a disruptive period of rail replacement which saw parts of the network temporarily closed during the year. Marketing activity has increased, aiming at reaching people who don't regularly use the tram through a 'try the tram' campaign and encouraging the use of our eight free park and ride sites.
	<b>Cleaning</b> Within the first 100 days, a deep clean was undertaken of all the trams and tram-stops as part of our plan to restore pride within the system. Throughout the year, the cleaning teams have continued to focus on keeping up high standards, with good performance around KPIs for both the trams and the stops.
	<b>People</b> A big focus over the first year has been on the people who keep the system running. By improving engagement with staff and introducing new systems to support staff to do their jobs, sickness has reduced across the organisation. This helps drive improved reliability for passengers.

All these, and other initiatives, are underpinned by a culture of continuous improvement – measuring outcomes and looking at where improvements are required to drive performance.

<sup>+</sup> based on timetabled services ran between 1 April 2024 to 1 Feb 2024

## Year One Asset Investment

During the year, we started a programme of investment into the assets to improve the reliability of the system and future-proof it for generations to come. Seven weeks of rail replacement was completed after selecting Volker Rail as our delivery partner.

During this first year of work, we replaced 1.5 km of rail across the network, most of which was over 30 years old and at the end of its life. During rail replacement, parts of the network are unable to run which we know is disruptive to passengers and adversely affects patronage. Much effort has been invested to reduce this disruption, through keeping as much of the network open as possible, ensuring there is a good quality, reliable replacement bus service, and providing improved passenger information. The works were completed on time and on budget.

We have also completed investment in the overhead line equipment, to replace end of life equipment and therefore reducing the risk of future failures. This project utilised industry leading equipment manufactured in Sheffield with works coordinated (where possible) with rail replacement to minimise disruption to passengers.



Volker Rail, whose Light Rail division are based in Doncaster, have extensive experience in replacing rail on the Supertram system and other tramways across the country. Volker Rail will complete all our rail replacement works over the next 4 years, with the option to support with ongoing maintenance. This is a real example of how the Supertram system provides benefits to the wider South Yorkshire region.

Works on the overhead line have been undertaken to replace life-expired balance anchor weights with innovative Tensorex units. These units are manufactured in Sheffield and a local contractor, M J Hughes, based in Rotherham supported with the installation.









# Year Two Business Plan

As we move into the second year of public ownership, this business plan has been developed to support our strategic aim of growing South Yorkshire's economy to restore the pride, purpose and prosperity of South Yorkshire. For the Supertram system, this means:

- We want a system that the region takes pride in, whether that is customers who use the network every day, the staff who work hard to keep it running safely, or the non-tram users who recognise the potential it offers the region.
- We must be cognisant of Supertram's purpose, which primarily is enabling passengers to travel from A to B, but on a strategic level is an enabler of social mobility, a way of reducing our carbon footprint, and a means to deliver economic growth.
- Through a well-managed system, the Supertram will support the region's prosperity as part of an integrated network, which in turn will mean the Supertram system prospers.

## Goals

The business plan builds on the successes of year one by continuing to invest to drive growth on the network, whilst maintaining a focus on delivering a safe and reliable light rail system for the people, residents and businesses of South Yorkshire. To guide the plan, the following six goals have been determined:

	<b>Safety Without Compromise</b> The safety of our passengers, staff and anyone who interacts with the system is our top priority.
	<b>Prioritising People</b> People place their trust in the Supertram for work, education and leisure. It must be reliable and attuned to customers' needs, thinking first about those who are too often left out and left behind. To support a customer-focussed tramway, it is essential that staff must work in a safe and vibrant environment, where they are supported to deliver the best service they can.
	<b>Providing Value</b> The system must provide value for money to the taxpayer, including financial prudence, growth in patronage, revenue protection and cost savings.
	<b>Part of the Community</b> Through SYMCA's ownership, the Supertram system is part of the wider South Yorkshire community, and should seek to be a model neighbour and deliver benefits beyond tram passengers.
	<b>Sustainability</b> The Supertram system will continue supporting sustainable, net-zero journeys whilst being firmly part of a multi-modal travel offer.
	<b>Operational Compliance</b> The Supertram system must be compliant with the operational / regulatory specification mandated by regulatory bodies to underpin safety and compliance.

## Operational Delivery

As per year one, a detailed delivery plan containing KPIs and specific initiatives sits behind this business plan to ensure performance and progress is measured (see Appendix B for more information). Targets will be set and agreed between SYMCA and SYFTL taking account of the year one performance and anticipated risks and opportunities over the year.

Key outcomes across the year will include:

	<p><b>Safety</b></p> <p>The safety of customers and staff will continue to be at the front and centre of all Supertram activity. Whilst all trams currently have CCTV cameras, the roll-out of body-worn cameras for conductors will continue, improving the safety and security of staff and passengers. A new Business Management System will improve the efficiency of information sharing around written policies, procedures and risk assessments.</p>
	<p><b>Timetable Delivery</b></p> <p>We will continue to focus on ensuring the high level of timetable delivery is achieved. We know that the system is vulnerable to external factors, such as congestion and break-downs of other road vehicles, and will continue to work with stakeholders to look at how this can be managed better.</p> <p>We also continually review the timetable to identify where additional services could be delivered, especially for those more likely to be reliant on public transport. We will explore the feasibility of additional services early in the morning, later into the evening, and potentially into the night which could better serve those who work less social hours and those who want to travel for leisure.</p>
	<p><b>Customer Service</b></p> <p>Customers are at the heart of Supertram and we want to ensure the system is accessible to as many people as possible. We will consider changes to the conditions of carriage which could open up travel opportunities for more passengers (e.g. permitting passengers to take their dog on board) subject to detailed work to understand the full implications of such changes.</p> <p>Whilst we have made steps to ensure greater alignment with customers' expectations, such as delivering enhanced cleaning regimes for trams and tram stop, we know there are areas which don't currently meet passengers' expectations. This is particularly the case when needing to share information about disruptions, cancellations or other communications. This will be an area of focus for improvements to ensure customers can always have confidence when travelling.</p>
	<p><b>Patronage</b></p> <p>Over the last year, we have seen steady growth in patronage compared to the previous year, however this has been somewhat depressed due to rail replacement works which closed parts of the network, mainly during the school holidays. With further rail replacement works planned during the next year, it has been cautiously assumed that patronage will be similar to this year. We are hopeful that through continuing to look for opportunities to reduce disruption during works and improved information, we will be able to exceed the cautious assumptions.</p>
	<p><b>People</b></p> <p>Investment into staff will continue through the year, building on the work done to date. A new Wellbeing Strategy will be developed, alongside continued investment in training and development to support staff give their best service to passengers.</p>

## Year Two Asset Investment

We will continue to invest in the assets over the coming year\* to improve reliability and customer experience, and ensure the network is fit for the future to support the needs of South Yorkshire.

*Magna Tram Train stop*



We will start construction of the new Magna Tram Train stop this year, which we anticipate will open to passengers in the Autumn. This station will be the first addition to the tram-train service since opening in 2018, and will open up a new travel opportunity for those visiting the Magna Science Adventure Centre or who live or work in Templeborough, Rotherham. The station will also incorporate a Park & Ride site which will help provide a more sustainable travel option for those heading into Rotherham town centre or Sheffield city centre, particularly from the M1 motorway.

The original Siemens fleet is now over 30 years old and beyond the lifespan originally envisaged for a typical tram fleet. This means the trams are not as reliable as passengers expect, and original components are now obsolete with alternatives hard to source. We are therefore planning on starting a programme of works which will aim to address these issues, alongside investing in improvements to the internal environment which will improve the passenger experience.



\*subject to funding provided from central government



The rail replacement programme will continue, replacing track which was laid in the early 1990s. We acknowledge this essential work causes disruption to passengers and we will continue to focus our efforts on keeping disruption to a minimum by planning works at quieter times, working with our supply chain to adopt innovations through the construction programme, and ensuring we provide reliable, alternative transport for passengers.

We will conclude the procurement of a Technology Partner who will work with us to strategically upgrade our tramway technology to ensure we can meet our customers' expectations. The first focus of this contract will be to replace the tramway control systems to improve the reliability of journeys and delivery of the timetable, especially in times of disruption. It will also provide improved passenger information at tram stops and on apps and websites.



We will start work to upgrade the depot facility and power substations which are original to the system. This will improve reliability and the energy performance of the system.

# Financial Implications

The 2025/26 financial year will mark the second year since the tram came back under public control. We now have a greater understanding of the financial performance of the network, which has given confidence in the mid-year forecasts as a basis for setting the budget for 2025/26 (as approved by the MCA Board in January).

When the MCA Board approved the 2024/25 group budget back in March 2024, this included a planned operating revenue subsidy of £7.1m. This is the difference between the income raised by our operator (South Yorkshire Future Trams Limited - SYFTL) through ticket sales, concessionary travel, advertising and some other income, and the costs associated with running the system. The subsidy is part-funded from the South Yorkshire Transport Levy. A key strategic aim for SYMCA is to reduce the level of subsidy.

At the time of writing the forecasts indicate that SYFTL will outperform the 2024/25 base budget by at least £1.1m. This is due to income higher than budgeted (despite disruption caused by planned rail replacement works) and a strict focus on cost control.

## Year Two Budget

The 2025/26 draft revenue budget forecasts that total income will increase by 3% to £19.9m. For prudent planning purposes, and taking into account the rail replacement works planned, patronage is assumed to remain consistent with the increased levels seen so far in 2024/25. Fare prices are assumed to increase by the CPI measure of inflation in January 2026 (currently assumed at 2%). An increased focus on marketing and commercial activity is expected to boost both on- and off-board sales, for instance advertising revenues are forecast to treble.

For 2025/26, SYFTL's draft budget includes spending in the region of £26m on the day-to-day running costs of the tram system. Around 58% of costs go towards the wages and salaries of the workforce comprising tram drivers, conductors, engineers and support staff.

12% of the budget pays for traction costs – the cost of electricity which powers the trams. Around 11% of the budget is set aside for maintenance costs, to ensure that the trams, tracks and other infrastructure can be operated safely.

The remaining 19% of the operating expenditure budget is spent on other operating and administrative costs such as cleaning tram stops, rent and rates, insurance, ticketing, information technology, recruitment and training.

The full budgeted income and cost profile for 2025/26 is highlighted on page 19.



	2024/25 Revised 2 Forecast £'000	2025/26 Draft Budget £'000	Variance £'000
<b>Income</b>			
Ticket Revenues	£16,115	£16,699	£584
Concessionary Subsidy	£2,487	£2,543	£56
Advertising Revenues	£97	£279	£182
Third Party Isolation Income	£13	£13	£0
Schedule 8 Compensation	£55	£0	-£55
Miscellaneous Income	£76	£0	-£76
Capital Recharge to MCA	£554	£437	-£117
<b>Total Income</b>	<b>£19,397</b>	<b>£19,971</b>	<b>£574</b>
<b>Operating Expenditure</b>			
Staff Costs	£14,558	£15,015	£457
Infrastructure Maintenance Costs	£1,622	£1,290	-£332
Rolling Stock Maintenance Costs	£1,425	£1,647	£222
Traction Costs	£2,928	£3,055	£127
Administrative Costs	£2,693	£2,368	-£325
Other Operating Costs	£2,133	£2,593	£460
<b>Total Operating Expenditure</b>	<b>£25,359</b>	<b>£25,968</b>	<b>£609</b>
<b>Operating Deficit</b>	<b>-£5,962</b>	<b>-£5,997</b>	<b>-£35</b>
<b>Funded by: Transport Levy</b>	<b>£7,064</b>	<b>£6,000</b>	<b>-£1,064</b>
<b>Total funding</b>	<b>£7,064</b>	<b>£6,000</b>	<b>-£1,064</b>
<b>Amount transferred to/(from) Risk Allowance</b>	<b>£1,102</b>	<b>£3</b>	

Based on the draft budget, which was approved by the SYFTL Board in November 2024, this anticipates that SYMCA will provide an operating subsidy of £6m during the next financial year, which has been included within SYMCA's budget.

Financial management and control continues to be a key priority for both the MCA and SYFTL, given the significant operating subsidy funded by local taxpayers. MCA Finance officers meet with the SYFTL Head of Finance & Commercial on a monthly basis ahead of each SYFTL Board meeting to review the monthly financial results, and a formal budget monitoring report is presented to the SYFTL Board. A recent internal audit into tram governance has recognised that the new governance structure introduced since March 2024 is now well embedded.

It should be noted that costs associated with asset investment are funded through separate capital funding streams provided by central government.

## Financial Risk Management

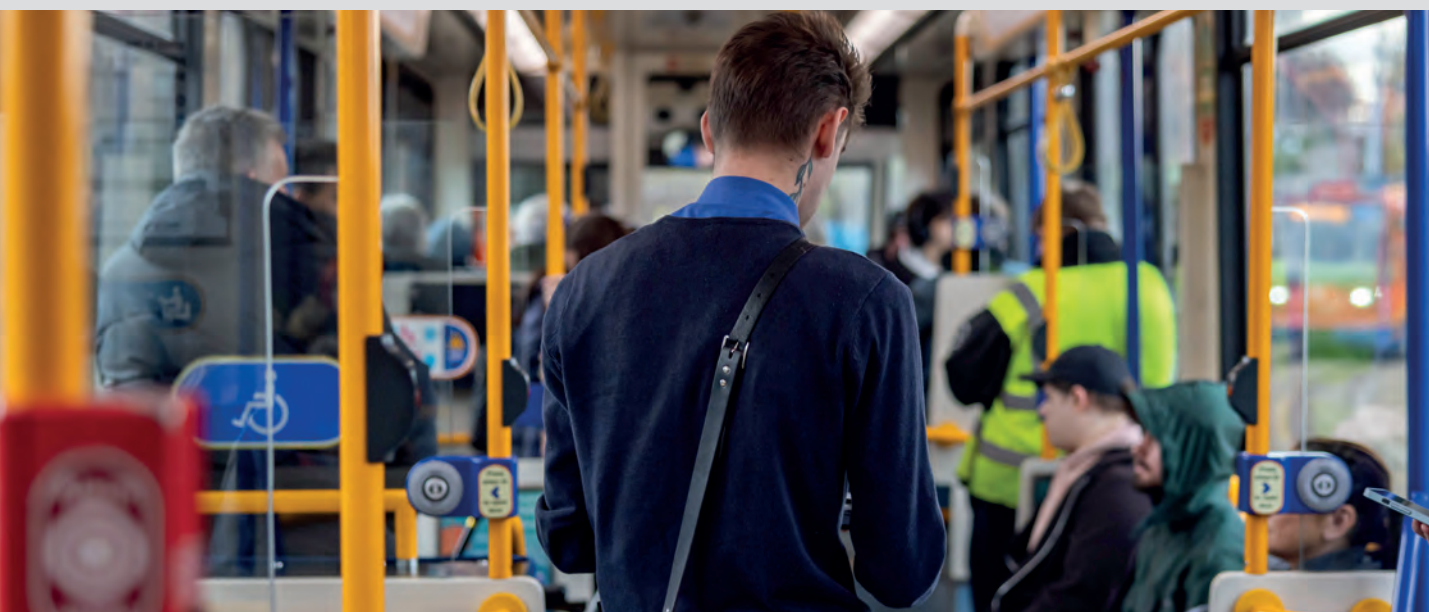
The key financial risk associated with operating the tram network is the uncertainty of ticket revenues, caused by multiple factors including those within our control (e.g. engineering works,

reliability, customer service) and those outside of it (e.g. the wider performance of the economy).

As with all budgets, SYFTL's draft budget for 2025/26 contains various planning assumptions. Whilst these have been tested and challenged robustly during review and consultation with MCA Finance officers, these assumptions could potentially differ from reality, especially those outside the influence of senior management such as pay and price inflation.

In order to mitigate the risk of the MCA's operating subsidy being insufficient to meet the financial obligations of SYFTL, the MCA has set aside resources in its Tram Resilience Reserve. The balance on the reserve currently stands at £1.3m, and we expect to supplement this by a further £1.1m from any unused subsidy in 2025/26, subject to SYFTL's financial performance. A balance of £2.4m would allow the MCA to support SYFTL in the event of a substantial financial shock. For instance, this balance would be sufficient to offset a reduction of c.14% in ticket revenues.

SYFTL is not exposed to any financial risk with respect to the cost of capital works, as it is recompensed in full by the MCA.



# Appendix A – Governance Model

The Supertram system is owned by the South Yorkshire Mayoral Combined Authority, whilst the operation of the system is managed by South Yorkshire Future Trams Limited (SYFTL), a wholly-owned subsidiary company of the MCA. This structure allows SYMCA to set strategic direction and act as the system commissioner, but allow day-to-day operational decision making to be taken by SYFTL in accordance with its internal decision-making structure, overseen by the board of directors and an Operating Agreement.

## Board Structure

The SYFTL Board comprises of directors from the MCA, SYFTL and Sheffield City Council, alongside a role for an Independent Non-Executive Director. The presence of Non-Executive Directors ensures that decisions taken by SYFTL are aligned with MCA strategy and objectives and that the MCA can have a clear line of sight on performance and safety.

## Operating Agreement

SYFTL is contracted by SYMCA to operate the Supertram system on SYMCA's behalf via an Operating Agreement. The Operating Agreement is a fixed agreement between the MCA and SYFTL and sets the governance framework and how risk is managed. The Operating Agreement has a set of minimum performance metrics e.g., a high-level timetable, cleaning standards, maintenance standards etc. The Operating Agreement and current UK legislation ensures that safety and regulatory risk is addressed at an operational level, with SYMCA as system owner providing challenge, reviewing KPIs and developing a clear audit process to ensure compliance.

## Delivery Plan

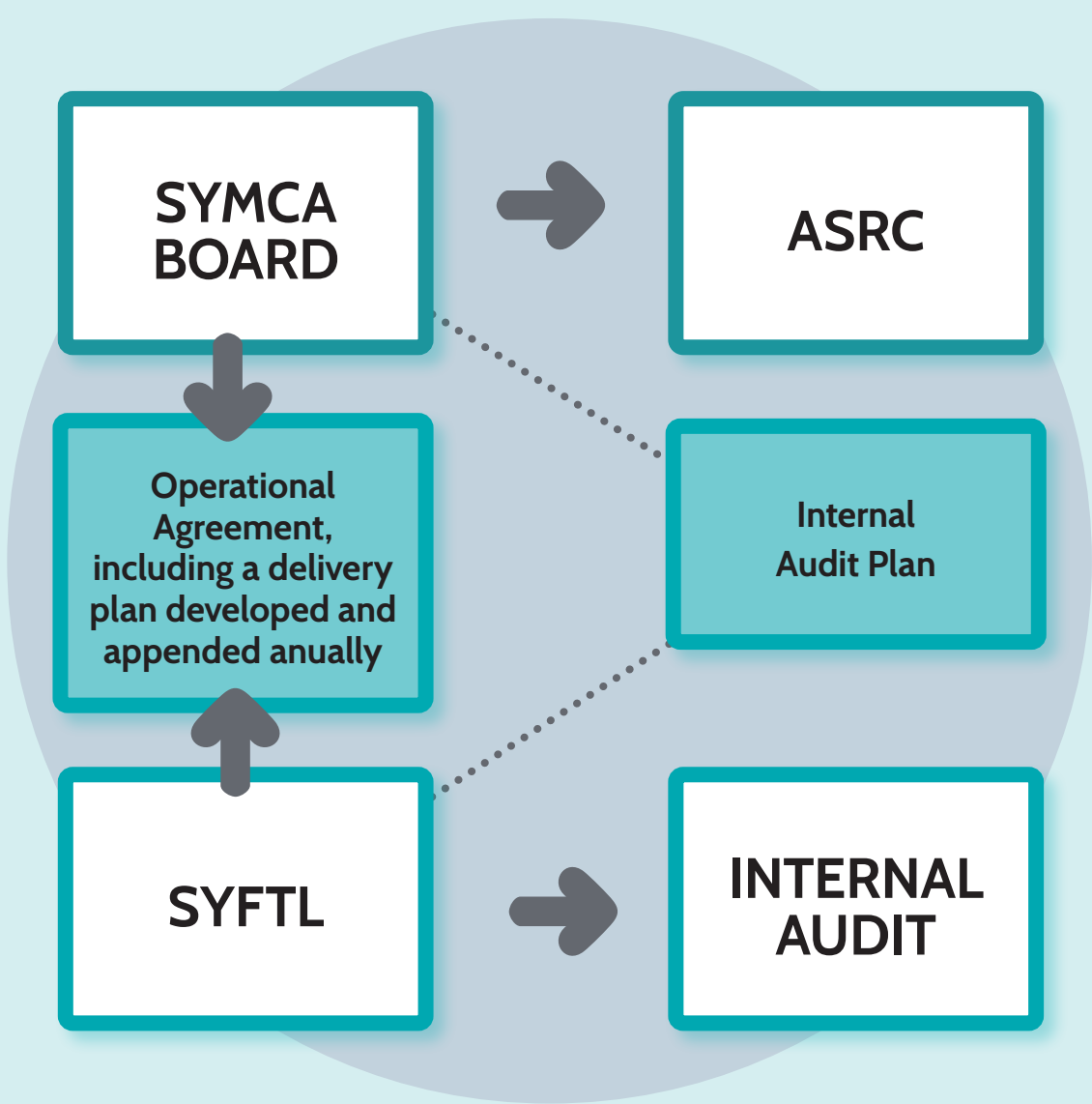
Each year a detailed delivery plan is produced by SYFTL. This delivery plan sets out the actual plans and targets for each 12-month period which is approved by officers of the MCA prior to the commencement of each year ensuring it is aligned with the requirements set by the MCA. This document contains a series of KPIs and specific initiatives which allow performance to be managed and monitored. The MCA, as part of its wider governance and budget setting, assesses the SYFTL delivery plan so it understands its financial commitments and risk.

This delivery plan is critical to ensure SYFTL deliver to their commitments and that day-to-day risks are managed and understood. The plan is supported and delivered through a range of KPIs and reporting, which is measured as part of monthly and periodic governance. SYFTL produce a four-weekly periodic report demonstrating actual performance against KPI targets and progress against initiatives as set out in the delivery plan for review by both SYMCA and the Board of SYFTL. Performance can be challenged and risks understood and captured on SYMCA's Transport Risk Register.

SYFTL also produce calendar monthly management accounts that demonstrate performance against budget and cashflow projections with commentary on any significant variances. These are reviewed by officers of the MCA and at the SYMCA Board to understand financial performance and risks.

# Audit and Assurance

SYFTL’s activities fall under SYMCA’s Audit, Standards and Risk Committee (ASRC) which is regularly updated on its activities. SYMCA’s Internal Audit Plan also encompasses SYFTL’s activities, and is subject to three audits this year – Governance, Key Financial Controls and Risk Management. The positive outcome of the first audit on Governance was presented to the ASRC in November 2024.



## Appendix B – KPIs and Initiatives

The Year Two delivery plan will build upon the first year of operations with KPIs and specific initiatives set around the following areas:

- Safety and Compliance
- Customer and Insight
- Service Performance
- People and Organisation

These map across to SYMCA's goals (see page 14). The KPIs and initiatives will be reported by SYFTL in four-weekly periodic reports to demonstrate actual performance against targets and progress against objectives for review by both SYMCA officers and the Board of SYFTL.



## KPI measurements

Focus Area	Operational Objectives						
Safety and Compliance	Proactive Safety	Safety Audits	Leadership Safety Tours	Safety Briefings & Interventions	Close out of Non-Conformances	Hazards Reported	
	Reactive Safety	RIDDOR Reportable Incidents	Staff Accidents and Incidents	Passenger Accidents and Incidents	Vandalism	Safety Non-Conformances Reported	
	Environmental	Greenhouse Gas Emissions (Traction Power)	GHG Emissions (Non-Traction Power)	Waste to Energy, Recycled, Landfill (%)	Environmental Audits		
	Quality	Quality Audits Completed	Number of Audit Non-Compliances by Period	Audit Non-Compliances Open			
Customer and Insight	Customer Experience	Customer Sentiment	Patronage Growth	Revenue			
	Customer Communications	Website Hits	Social Media Following	On-Time Delivery of Marketing Plan			
Service Performance	Timetable Delivery	Trips Completed vs Planned	First and Last Times on Time	Minutes Lost due to Driver Availability	Driver Turnover	Driver Sickness	
	Revenue Collection	Fares not Collected	Services Operated without Conductor	On Tram Sales vs Off Tram Sales	Conductor Turnover	Conductor Sickness	Ticketless Travel
	Vehicle Maintenance	Availability to Meet Operational Timetable	Planned Maintenance Delivered in Period	Reactive Maintenance Closed in Period	Fleet Open Work Orders	Mean Distance Between Failure	Items at Nil Stock
	Infrastructure Maintenance	Planned Maintenance Delivered	Reactive Maintenance Delivered in Period	Open Work Orders	Number of service disruptions due to Infrastructure failure		
	Cleaning	Tram Daily Cleans vs Planned	Tram Deep Cleans vs Planned	Tram Deep Cleans vs Planned	Tram Deep Cleans vs Planned		
People and Organisation	Engagement	Staff Engagement (use of Blink social media)	Staff Turnover (%)	Staff Sickness (%)			
	Development	Staff Development PDPs (Delivered vs Planned)					
	Competency	% of Staff Competencies in Date (All)	% of Staff Competencies in Date (Safety Critical)				
	Programme Management	Programme Delivery Milestones to Target	Improved People Engagement	Programme Risk Register	Deliver papers and support documents to SYFTL Board and Contract Assurance, four weekly timelines	Drive the Document Review Group delivery to ensure policies and procedures remain compliant	

Specific Initiatives

Associated KPI Focus Area		Business Plan Initiative	Safety without Compromise	Prioritising People	Providing Value	Part of the Community	Sustainability	Operational Compliance	Respon- sible	Contractual Obligation
Safety and Compliance	Proactive and Reactive Safety	ISO45001 Third Party Assessment	✓		✓	✓		✓	SYFTL	KPI measures of safety performance
	Proactive and Reactive Safety	Safety Culture Continuous Improvement	✓		✓	✓		✓	SYFTL	KPI measures of safety performance
	Proactive and Reactive Safety	Delivery of Light Rail Security Plan	✓		✓	✓		✓	SYFTL	KPI measures of safety performance
	Proactive and Reactive Safety	Digital BMS embedded	✓		✓			✓	SYFTL	KPI measures associated with Safety, Health, Environment and Quality
	Proactive and Reactive Safety	Adoption of RM3 (Risk Maturity Model)	✓		✓			✓		KPI measures of safety performance
	Proactive and Reactive Safety	TAIR Integration (Tram Accident and Investigation Reporting)	✓					✓		KPI measures of safety performance
	Proactive and Reactive Safety	All renewals completed with zero accidents	✓	✓		✓		✓	SYMCA	Safety performance measured through SYMCA's management system
	Proactive and Reactive Safety	Roll out wearing of body cameras to conductors through a wider 'Better Together' campaign	✓	✓		✓			SYFTL	KPI measures of safety performance and customer sentiment
	Proactive and Reactive Safety	Recruit Safety & Welfare Ambassador role	✓	✓		✓			SYFTL	KPI measures of safety performance and customer sentiment
	Environmental	Introduction of Digital Environmental Management System	✓		✓	✓	✓	✓	SYFTL	KPI measures for environmental audits
	Environmental	Stakeholder Analysis and Power vs Interest Grid introduced	✓		✓	✓	✓	✓	SYFTL	KPI measures for environmental audits
	Environmental	Minimum of one staff member IEMA certified	✓	✓		✓	✓	✓	SYFTL	KPI measures for environmental audits
	Environmental	Introduction of Environmental Audits	✓	✓		✓	✓	✓	SYFTL	KPI measures for environmental audits

	Environmental	EMS compliance included within audit regime	✓	✓		✓	✓	✓	SYFTL	KPI measures for environmental audits
	Environmental	Waste Supplier Assurances Recorded	✓	✓		✓	✓	✓	SYFTL	KPI measures for environmental audits
	Environmental	Waste Supplier Audits	✓	✓		✓	✓	✓	SYFTL	KPI measures for environmental audits
		Cyclical Review of Written Procedures	✓	✓	✓			✓	SYFTL	KPI measures for quality audits and non-compliances
		Change Process Adhered to	✓	✓	✓			✓	SYFTL	KPI measures for quality audits and non-compliances
		Digital BMS (Business Management System)	✓	✓	✓			✓	SYFTL	KPI measures for quality audits and non-compliances
		Process Automation	✓	✓	✓			✓	SYFTL	KPI measures for quality audits and non-compliances
		Adoption of Digital QMS (Quality Management System) for Quality Audits		✓	✓			✓	SYMCA	NA
		Procurement Planning	✓		✓			✓	SYFTL	Compliance with new legislation
Customer and Insight	Customer Experience	Customer understanding: improve the customer offer to increase revenue and patronage		✓	✓	✓	✓		SYFTL	KPI measurements around customer experience
	Customer Experience	CRM: producing required reporting and utilise for marketing campaigns to drive patronage/ app usage		✓	✓	✓	✓		SYFTL	KPI measurements around customer experience
	Customer Experience	Patronage and revenue uplift		✓	✓	✓	✓		SYFTL	KPI measurements around customer experience
	Customer Experience	Digital Pre-payment: reduce non-payment of fares and encourage behavioural change		✓	✓	✓	✓		SYFTL/ SYMCA	KPI measurements around customer experience
	Customer Experience	Footfall & Engagement - Love Supertram campaign to deliver insight on reasons to believe & customer research led.		✓	✓	✓	✓		SYFTL	KPI measurements around customer communications
	Customer Communications	Refinement of Marketing and Communications Plan		✓	✓	✓	✓		SYFTL	KPI measurements around customer communications

	Customer Communications	Develop Disruption Management Plan	✓	✓	✓	✓	✓	✓	SYFTL	KPI measurements around customer communications
	Customer Communications	Refinement of Customer Contact Plan		✓	✓	✓	✓		SYFTL	KPI measurements around customer communications
	Customer Communications	Delivery of Specific Actions / Milestones from Marketing, Comms and Customer Plan		✓	✓	✓	✓		SYFTL	KPI measurements around customer communications
Service Performance	Timetable Delivery	Duty Manager training to be delivered alongside SYFTL's values	✓	✓		✓			SYFTL	KPI measurements around timetable delivery
	Timetable Delivery	Implement identified and agreed changes within the Ops structure to support proposed reorganisation		✓	✓	✓			SYFTL	KPI measurements around timetable delivery
	Timetable Delivery	Optibus Duty Allocation System training delivered		✓	✓	✓			SYFTL	KPI measurements around timetable delivery
	Timetable Delivery	Support the successful introduction of Tram Management System		✓	✓	✓	✓	✓	SYFTL	KPI measurements around timetable delivery
	Timetable Delivery	Implement any (approved) recommended changes to the wider network timetable		✓	✓	✓	✓	✓	SYFTL	KPI measurements around timetable delivery
	Timetable Delivery	Support operational delivery of Magna tram stop		✓	✓	✓	✓	✓	SYFTL	KPI measurements around timetable delivery
	Timetable Delivery	Successfully deliver revised roster and duties, through engagement with colleagues and union reps	✓	✓	✓				SYFTL	KPI measurements around timetable delivery
	Timetable Delivery	Develop Disruption Management Plan	✓	✓	✓	✓	✓	✓	SYFTL	KPI measurements around timetable delivery
	Timetable Delivery	Explore and develop opportunity from hybrid working		✓	✓				SYFTL	KPI measurements around timetable delivery
	Timetable Delivery	Lead on the introduction of the new Tram Management System to replace the existing Automatic Vehicle Location system	✓	✓	✓	✓	✓	✓	SYMCA	KPI measurements around timetable delivery
	Revenue Collection	Develop recruitment resilience plan, alongside business values for recruitment and retention	✓	✓	✓				SYFTL	KPI measurements around revenue collection
	Revenue Collection	Data collection and analysis to drive improvement and reduce risk	✓	✓	✓				SYFTL	KPI measurements around revenue collection
	Revenue Collection	Explore expansion of Conductor role and consult with Conductor representatives	✓	✓	✓				SYFTL	KPI measurements around revenue collection

	Revenue Collection	Develop a fare strategy to provide a framework for setting future fares		✓	✓	✓	✓			KPI measurements around revenue collection
		Improved Stakeholder and Customer satisfaction	✓	✓		✓		✓	SYFTL	KPI measurements around vehicle and infrastructure maintenance, cleaning and customer satisfaction
		Processes and Procedures Review	✓	✓	✓	✓		✓	SYFTL	KPI measurements around vehicle and infrastructure maintenance, cleaning and customer satisfaction
		Structure, Staffing, Responsibilities Review	✓	✓	✓	✓		✓	SYFTL	KPI measurements around vehicle and infrastructure maintenance, cleaning and customer satisfaction
		Maintenance Planning and Performance	✓		✓			✓	SYFTL	KPI measurements around vehicle and infrastructure maintenance, cleaning and customer satisfaction
	Engagement	Improved people engagement and development	✓	✓					SYFTL	KPI measurements around staff engagement
	Engagement	People & Development rebrand		✓					SYFTL	KPI measurements around staff engagement
	Engagement	Developed mechanisms for employee voice		✓					SYFTL	KPI measurements around staff engagement
	Engagement	Streamlined, values-based recruitment and selection process		✓	✓				SYFTL	KPI measurements around staff development
	Engagement	Building a supportive workplace culture	✓	✓	✓		✓		SYFTL	KPI measurements around staff development
	Engagement	Increasing staff engagement and sentiment	✓	✓	✓				SYFTL	KPI measurements around staff development
	Development	Prioritised succession planning and career development for all staff		✓				✓	SYFTL	KPI measurements around staff development

People and Organisation	Development	Targeted Continuing Professional Development for all staff		✓			✓	SYFTL	KPI measurements around staff development
	Competency	Adopt Learning Management System once introduced		✓	✓		✓	SYFTL	KPI measurements around staff competency
	Competency	Effective training and competency management	✓	✓	✓		✓	SYFTL	KPI measurements around staff competency
	Programme Management	Refinement of Programme Plan		✓	✓			SYFTL	
	Programme Management	New Matrix Programme Structure Delivered		✓	✓			SYFTL	KPIs around programme delivery
	Programme Management	Delivery of Specific Actions / Milestones from Programme Plan		✓	✓			SYFTL	KPIs around programme delivery
	Programme Management	Delivery of Programme Plan to Budget		✓	✓			SYFTL	KPIs around programme delivery
	Information Technology	IT Change Process in place			✓		✓	SYFTL	Compliance with IT requirements
	Information Technology	New IT Structure Embedded			✓		✓	SYFTL	Compliance with IT requirements
	Information Technology	New IT Structure Embedded			✓		✓	SYFTL	Compliance with IT requirements
	Information Technology	BIA Embedded			✓		✓	SYFTL	Compliance with IT requirements
	Information Technology	All Core Policies approved			✓		✓	SYFTL	Compliance with IT requirements
	Information Technology	XDR Remediation			✓		✓	SYFTL	Compliance with IT requirements
	Information Technology	Enhanced XDR Monitoring			✓		✓	SYFTL	Compliance with IT requirements



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