



Department
for Transport

Simon Connick

Deputy Director of North and Devolution
Department for Transport
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Chris Carter
Head of Transport Strategy
Nottingham City Council
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By email:

chris.carter@nottinghamcity.gov.uk

20 March 2020

Dear Chris

TRANSFORMING CITIES FUND PACKAGE: TRANCHE 2 ALLOCATION

Following the submission of your final Strategic Outline Business Case I am pleased to say that Ministers are now content to release funding for your high package and have approved the detail of the funding agreement as set out below.

As announced at Budget 2020, your city region will be receiving £161 million in capital grant funding to be paid over four years from 2019-20 to 2022-23. This builds on the £8.3 million awarded for 'quick-win' schemes in March 2019 as part of Tranche 1. The funding is for public transport improvements in the Derby and Nottingham city region as outlined in your Strategic Outline Business Case and the terms under which the funding is granted are as follows:

1. Funding will be granted according to the following profile, unless amended under paragraph 11 below.

2019/20	2020/21	2021/22	2022/23	TOTAL
£8,020,502	£20,314,031	£62,599,549	£69,847,918	£160,782,000

The first grant will be paid as a section 31 grant under the Local Government Act 2003 on 31 March 2020.

2. Funding is granted on the assumption that the local authority/private contributions are at least as stated in the bid.
3. Nottingham City Council is responsible for ensuring any schemes funded represent Value for Money for the taxpayer, and DfT will not cover any funding shortfalls.
4. Nottingham City Council will provide a final version of its Assurance Framework by 20 April 2020. Investment decisions on individual components of the package will be made locally in accordance with the Nottingham City Council Assurance Framework which must be compliant with the requirements of the National Local Growth Assurance Framework guidance¹ or any successor document. However:

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- a. Any individual scheme decision involving funding of £40m or over will require the approval of DfT.
 - b. Individual scheme business cases and funding approval documentation must be made available to DfT on request.
 - c. DfT reserves the right to attend, with observer status, programme (or project) board meetings where funding approval decisions are being considered.
 - d. The Government will shortly publish revised design and delivery standards for cycling and walking infrastructure (the successor to Local Transport Note (LTN) 2/08). In taking forward such schemes with TCF funding, Nottingham City Council commits to following this guidance once available and prior to this seeking to deliver the highest possible quality schemes in line with existing guidance. DfT officials will be happy to work with you to ensure that your city region meets these standards and advise on queries relating to the upcoming guidance.
5. Throughout the period of the funding agreement Nottingham City Council should ensure that the proposals take due account of wider strategic developments, for example in the scale or location of employment or housing development. In particular, Nottingham City Council should ensure, in discussion with the Department, that the proposals in your package take due account of the overall impact on city centre traffic flows.
 6. Nottingham City Council will develop a Benefits Realisation Plan and an Evaluation Plan to a timetable to be agreed with the Department and make reports available to the Department. The Department will lead on the Fund's overall evaluation and will be developing theme-specific case-studies.
 7. Nottingham City Council will have due regard to the public sector equality duty under section 149(1) Equality Act 2010 in exercising their functions, and in particular when developing schemes.
 8. The Transforming Cities Fund forms a key plank of the Government's Industrial Strategy. As such, we would expect that schemes and investments funded by the Transforming Cities Fund should carry its branding alongside other relevant branding, such as those of your city region. Details of the TCF branding material and guidance are attached.
 9. Notwithstanding the assurance process outlined above, Nottingham City Council will provide a regular progress report to the Department (frequency, exact format and content to be agreed soon) to enable us to monitor progress and performance. It is likely this will track progress against key milestones for your entire programme and individual schemes (e.g. approval decision, start of construction, completion, etc), spending data (e.g forecast spend vs. actual), risk summary and a brief narrative commentary on progress and issues.
 10. In the interest of transparency, Nottingham City Council should also publish on a single central Transforming Cities Fund page of their website, business cases and associated Value for Money statements for any schemes funded by the Transforming Cities Fund.
 11. Review meetings (frequency to be agreed) will take place between Nottingham City Council and DfT to discuss progress with delivery and decision making. Following the review, the annual profile of funding may be adjusted to match the expected profile of delivery if this changes.

Finally, I would like to thank you for the constructive way that you and your fellow officers have engaged with the Department during the co-development of this programme and I look forward to the delivery of a significant package of schemes that will provide a real benefit to the travelling public of Derby and Nottingham city region.

Louise Clare, your Area Lead will be in touch with you and your colleagues to discuss next steps, including the formal progress reporting arrangements. Please do not hesitate to get in touch with me if I can be of any further assistance.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Simon Connick', with a horizontal line underneath.

Simon Connick
Deputy Director, North and Devolution



Department for Transport

Anthony Ferguson

Deputy Director, Traffic and Technology
Department for Transport
Great Minster House
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email: FutureMobilityZones@dft.gov.uk

Website: www.gov.uk/dft

Rasita Chudasama
Principal Transport Planner
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NG2 3NG

via email to: rasita.chudasama@nottinghamcity.gov.uk
cc: Ann Marie Barclay and Chris Carter

16 March 2020

Dear Rasita,

Thank you for submitting a final bid to the Future Mobility Zones (FMZ) Fund. I am pleased to inform you that your bid has been successful.

Derby and Nottingham will be one of four FTZs - the FMZs having been rebranded as Future Transport Zones. The other FTZs will be: the West Midlands; Portsmouth and Southampton; and the West of England.

James Padden and Fran McMahon will be in touch with you today to give feedback on your proposal, to discuss next steps and answer any questions you might have at this stage.

On behalf of the Department, I would like to congratulate you on your success and take this opportunity to thank you for the time and effort taken in preparing your bid.

If you have any queries please contact FutureMobilityZones@dft.gov.uk

Yours sincerely,

A handwritten signature in black ink that reads "Anthony Ferguson".

Anthony Ferguson
Deputy Director, Traffic and Technology

Email from Fran McMahon to Chris Carter confirming FTZ programme funding allocation

Chris,

It was good to talk to you this morning. As promised, here are the main points of the discussion:

- We will fund the bid at £16.7 million.
- Funding will be for all projects at the maximum level requested, with the exception of the mobility credit trials that will not be funded.
- £10 million will be paid on 31 March 2020, for work that will take place during the financial year 2020/21 and beyond.
- Payment will be made to Nottingham City Council as grant funding.
- The FTZs are still a four year project. If satisfactory evidence of progress is show, further payment will be made during the financial year 2021/22, and the programme of work will finish in 2024.
- A kick-off meeting will be held at GMH on 1 April from 11.30 to 1.30. An agenda will be circulate shortly.

Please do not hesitate to contact me if you need any further information.

Many thanks,
Fran



Ms Francesca McMahon
Senior Policy Advisor, Transport and Technology,
3/27, Great Minster House
33 Horseferry Road, London, SW1P 4DR
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Department for Transport

Ian Curryer
Chief Executive
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via email to: ian.curryer@nottinghamcity.gov.uk

Cc Rasita Chudasama
Principal Transport Planner
Nottingham City Council

Dear Ian,

AWARD OF DERBY AND NOTTINGHAM FUTURE TRANSPORT ZONE FUND ALLOCATION FOR FINANCIAL YEAR 2019-20

I am pleased to be able to make a capital grant payment under section 31 of the Local Government Act 2003 to fund a Derby and Nottingham Future Transport Zone from the Future Transport Zones Fund. This £10 million grant represents the first of two capital grant payments to be paid to Nottingham City Council. A second payment will be made in the financial year 2021-22.

The purpose of the Future Transport Zones is to: trial new transport services modes and models, creating a functioning marketplace for transport that combines new and traditional modes; improve integration of services; increase the availability of real-time data; and provide access to digital planning and payment options. The fund also aims to explore options for delivering mobility credits and efficiencies through shared (dynamic) demand responsive transport.

This funding is being provided as a direct award. There will be no detailed constraints as to what it can be spent on, but Nottingham City Council should have regard to the objectives of the Future Transport Zones.

Please contact the Future Transport Zones Team for any queries relating to this grant.

Yours sincerely,

Simon Connick
Deputy Director, North and Devolution

Simon Connick
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31 MARCH 2020

FUTURE TRANSPORT ZONES FUND GRANT DETERMINATION (2019-20): No. 31/3765

The Secretary of State for Transport, in exercise of the powers conferred by section 31 of the Local Government Act 2003, makes the following determination:

Citation

1) This determination may be cited as the Future Transport Zones Fund Grant Determination (2019-20) No. 31/3765.

Purpose of the grant

2) The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred by them.

Determination

3) The Secretary of State determines:

(a) that the authorities listed in Annex A are the authorities to which the grant under this determination is to be paid; and

(b) that the maximum amount of grant payable to each authority in respect of 2019-20 shall be the amount shown against the name of the authority in Annex A.

Grant conditions

4) Pursuant to section 31(3) and 31(4) of the Local Government Act 2003, the Secretary of State determines that the grant will be paid subject to the conditions in Annex B.

Treasury consent

5) Before making this determination in relation to local authorities in England, the Secretary of State obtained the consent of the Treasury.

Signed by authority of the Secretary of State for Transport



S Connick
A senior civil servant within the Department for Transport

31 March 2020

ANNEX A

Authorities to which grant is to be paid	Amount of grant to be paid
Nottingham City Council	£10,000,000

ANNEX B

GRANT CONDITIONS

1. Grant paid to a local authority under this determination may be used only for the purposes that a capital receipt may be used for in accordance with regulations made under section 11 of the Local Government Act 2003.

2. The Chief Executive and Chief Internal Auditor of each of the recipient authorities are required to sign and return to the team leader of the Traffic and Technology Division of the Department for Transport, a declaration, to be received no later than 31 May 2021, in the following terms:

“To the best of our knowledge and belief, and having carried out appropriate investigations and checks, in our opinion, in all significant respects, the conditions attached to the Future Transport Zones Fund Grant Determination No 31/3765 have been complied with”.

3. If an authority fails to comply with any of the conditions and requirements of paragraphs 1 and 2, the Minister of State may-

- a) reduce, suspend or withhold grant; or
- b) by notification in writing to the authority, require the repayment of the whole or any part of the grant.

4. Any sum notified by the Minister of State under paragraph 3(b) shall immediately become repayable to the Minister.