

EXECUTIVE BOARD – 18 NOVEMBER 2014

Subject:	Local Sustainable Transport Fund 2015/16 Programme		
Corporate Director(s)/ Director(s):	David Bishop, Deputy Chief Executive/Corporate Director for Development and Growth		
Portfolio Holder(s):	Councillor Jane Urquhart, Portfolio Holder for Planning and Transportation		
Report author and contact details:	Rasita Chudasama, Principal Transport Planner, Transport Strategy Team Rasita.chudasama@nottinghamcity.gov.uk Tel: 0115 8763938		
Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons: <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total value of the decision: £1.180 million			
Wards affected: All		Date of consultation with Portfolio Holder(s): 9 June 2014	
Relevant Council Plan Strategic Priority:			
Cutting unemployment by a quarter			<input checked="" type="checkbox"/>
Cut crime and anti-social behaviour			<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City			<input type="checkbox"/>
Your neighbourhood as clean as the City Centre			<input type="checkbox"/>
Help keep your energy bills down			<input type="checkbox"/>
Good access to public transport			<input checked="" type="checkbox"/>
Nottingham has a good mix of housing			<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs			<input type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events			<input type="checkbox"/>
Support early intervention activities			<input type="checkbox"/>
Deliver effective, value for money services to our citizens			<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
<p>In the Autumn Statement 2013, the Department for Transport (DfT) announced £78.5 million continuation revenue funding through its Local Sustainable Transport Fund (LSTF) 2015/16 to be awarded through a competitive bidding process. In July 2014 it was announced the Nottingham LSTF sustainable access to employment, skills and training programme was successful in receiving £1.180 million revenue funding.</p> <p>The purpose of this report is to secure approval for the 2015/16 LSTF continuation programme. The transport measures within the programme have been selected based on their high value for money outputs and are targeted towards helping local people, particularly those aged between 18 and 24 years, to access good jobs, support local economic growth and reduce carbon impacts of transport to maintain our position as one of the least car dependent cities in the UK.</p>			
Exempt information:			
None			
Recommendation(s):			
<p>1 Accept the external LSTF continuation funding of £1.180 million for the delivery of the sustainable access to employment, skills and training transport programme 2015/16 awarded by the Department for Transport.</p> <p>2 Approve the funding allocations to the LSTF programme 2015/16 as set out in Table 1 in Appendix A and delegate authority to the Deputy Chief Executive/Corporate Director for Development and Growth and Portfolio Holder for Planning and Transportation to make variations to the programme.</p>			

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| 3 | To delegate authority to the Deputy Chief Executive/Corporate Director for Development and Growth to agree and sign renewals or extensions to the contracts with suppliers set out in the Procurement Plan in Appendix B. |
| 4 | To grant dispensation from Contract Procedure Rules 5.1.1 and 5.1.2 in accordance with Financial Regulation 3.29 to renew or extend the contracts described in Appendix B. |

1. REASONS FOR RECOMMENDATIONS

- 1.1 Accepting the funding, extending project operations for a further year into 2015/16 up to the end of March 2016 and renewing contracts with existing suppliers will achieve satisfactory spend and delivery projects within the programme.
- 1.2 Delivery of the initiatives in 2015/16 offers a timely opportunity to fully realise the potential of large-scale capital investments such as the completion of the NET tram expansion and the £6m Cycle City Ambition Package.
- 1.3 The 2015/16 programme is taking forward the strongest elements of the existing programme. Continuation of existing suppliers will help to save time and commissioning costs as delivery teams are already established so there will be minimal set up required. Project staff with the necessary skills are already in post and the existing teams have built up the local knowledge, expertise and contacts necessary to deliver effective outcomes. This would be hard to replicate for alternative providers and would most likely result in additional costs to the project.

2. BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 Since 2011, Nottingham City Council has led the delivery of the successful Nottingham LSTF programme totalling £15.245 million comprising of revenue and capital funding. During 2011-2015 it has helped to deliver a package of measures to improve and promote local sustainable transport options to communities and businesses. Further detail on the funded projects is provided in the LSTF Allocations report which was approved at Executive Board on 17 July 2012.
- 2.2 In December 2013 the DfT announced details of a national £78.5 million revenue only LSTF continuation fund through a competitive bidding process. The funding requirements were to help achieve the DfT's national objectives of supporting growth and reducing carbon. The funding was announced to enhance the Growth Fund capital funding devolved to Local Enterprise Partnerships (LEPs). As part of submission, Bids had to meet the national LSTF guidance produced by the DfT. All bids underwent a close scrutiny based on their deliverability and value for money of outcomes. The Bid was supported by a five case business case approach including an economic assessment of the costs and benefits of the LSTF package. Further detail is set out in the Bid document available at: www.nottinghamcity.gov.uk/transportfundingandbids
- 2.3 In March 2014, the City Council submitted a Nottingham Urban Area LSTF continuation bid in partnership with the Greater Nottingham Transport Partnership (GNTP) (representing business needs), Sustrans and Nottinghamshire County Council, along with other partners. The proposals put forward were selected based on current evidence of delivery and in consultation with internal and external partners including Public Health and Economic Development colleagues, the LEP Infrastructure Group and the Joint Planning and Advisory Board.
- 2.4 In July 2014, the DfT confirmed the Nottingham LSTF project was one of 44 successful schemes, receiving £1.180 million revenue funding for 2015/16. The £1.180m extension funding which will enable the continuation of key sustainable travel services to benefit local

people and businesses, particularly in helping more people to access jobs and supporting local businesses with adopting sustainable travel solutions. The programme will concentrate on two main complementary workstrands:

A. Community Smarter Travel Initiatives to promote travel options to individuals and households to help improve access to employment:

- A1.** Continuation of the neighbourhood based co-ordinators who will provide specialist sustainable transport advice to support local people, particularly young jobseekers, into employment and training through services such as personalised journey/route planning, travel information, access to discounted offers, cycle maintenance training and confidence building during the key stages of job hunting, traveling to interview and in preparation for travelling to work. The programme will continue initiatives that provide opportunities for local people to develop skills in sustainable transport such as bike recycling, maintenance, walk/ride leaders through training packages and volunteering opportunities to improve individuals' employability. Includes continuation of Mobile Travel Centre services delivered in local neighbourhoods.
- A2.** Provision of the Kangaroo half price travel support package to key low income groups which allows unlimited travel across the kangaroo urban area. Job seekers and the long-term unemployed will be eligible to access kangaroo travel support if they meet the qualifying criteria. The scheme is supported by contributions from local operators.
- A3.** Delivery of a programme of support to the education sector and a calendar of annual events to provide individuals and families with practical skills to take up cycling/sustainable travel. This package will provide top up funding to the DfT's core grant to support Bikeability cycle training in primary schools; the expansion of the active travel (BikeIT) programme to 3 new secondary schools in addition to the 9 currently engaged and the continuation of the Ucycle project with a dedicated officer working with the 3 participating FE colleges to promote the uptake of cycling amongst the 2,000 pupils. In addition, participation and events will be delivered through an annual events programme which includes the Cycle Live event.

B. Worksmart Business Travel Support Package for employers to promote business growth and sustainable travel amongst commuters and for business travel:

- B1.** Bespoke advice and one-to-one support to individual businesses or groups of businesses consisting of onsite advice, journey planning solutions and employer based events to support inward investment and relocation opportunities. This strand will complement the Workplace Parking Levy business support package.
- B2.** Greater Nottingham Transport Partnership (GNTP) Business Club continuation, offering travel planning and smarter choices activities consisting of GNTP forums/master classes, website/digital materials and advice to employees on sustainable commuting.
- B3.** Promotion of strategic cycle corridors including supporting innovative infrastructure design solutions (linked to the Cycle City Ambition Package) and promotion of the cycle corridors through events, targeted print and online communications including journey planning.

2.5 A small element has been allocated to the programme co-ordination, communications, monitoring and evaluation activities in line with the Fund reporting requirements of the DfT. A programme management framework was established in 2011 to oversee the delivery of the current LSTF programme. These were approved as part of the original Executive Board report on 17 July 2012. It is intended that the arrangements are maintained for 2015/16.

3. OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

3.1 The option to not accept the continuation funding was rejected as it would mean all of the current LSTF projects would cease at the end of March 2015, resulting in the loss of a number of project staff employed by the City Council and local service providers and potentially adversely affecting the Council's reputation as a leader in local transport delivery.

4. FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

- 4.1 The LSTF funding is a grant awarded under Section 31 of the Local Government Act 2003. A total sum of £1.180 million revenue grant funding has been awarded to the City Council for 2015/16 only. Any grant unused by 31 March 2016 cannot be carried forward. Including local contributions, the total LSTF package is £1.920 million. The match funding from existing local programmes and third party contributions creates no additional commitment for the City Council. At the end of 2015/16, when the LSTF funding ceases, alternative funding will need to be sought for projects which are not self-sustaining or the activities will have to stop for prevent unfunded activities continuing. Table 1 in Appendix A sets out the revenue funding allocations and local contributions.
- 4.2 The DfT will be issuing a formal grant offer letter in the Autumn 2014 on the basis of the expenditure profile set out in the Bid document. Quarterly reports will need to be submitted to DfT providing progress of expenditure to claim the funding. It is recommended that the LSTF funding is allocated in line with the profile presented in the Bid to ensure that the City Council complies with the terms and conditions of the funding award. There is some flexibility within the individual workstrands to adapt delivery to meet local transport priorities as long the overall spend is in line with the profile set out in Appendix A.
- 4.3 In view of the extension for one year only and to ensure continuity of services, for operational reasons, dispensation from Contract Procedure Rules 5.1.1 and 5.1.2 in accordance with Financial Regulation 3.29 is required.

5. RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

- 5.1 The City Council's Transport Delivery Board is responsible for identifying, managing and mitigating LSTF risks. These are managed in line with the corporate risk management framework and are being mitigated through effective programme management and partnership working. It will be the responsibility of the Transport Delivery Board to ensure compliance with the terms and conditions of the grant and that the grant is committed for authorised purposes.

6. SOCIAL VALUE CONSIDERATIONS

- 6.1 The LSTF programme has been assessed as delivering high value for money and social value outcomes. With project teams already established in local third sector organisations, the LSTF is helping to increase the capacity of the voluntary sector, supporting local employment and creation of jobs, providing skills and training opportunities, particularly for young people.

7. REGARD TO THE NHS CONSTITUTION

- 7.1 Not applicable

8. EQUALITY IMPACT ASSESSMENT

Has the equality impact been assessed?

- (a) not needed (report does not contain proposals for new or changing policies, services or functions, financial decisions or decisions about implementation of policies development outside the Council)



9 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

9.1 Nottingham LSTF decision letter, DfT, July 2014

10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

10.1 Nottingham Urban Area LSTF 2015/16 Bid, Nottingham City Council, March 2014, www.nottinghamcity.gov.uk/transportfundingandbids

11 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

Finance (02/10/14) – Maria Balchin, Finance Analyst
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Procurement (18/09/14) – John Watson, Procurement Category Manager Transport
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Nottingham LSTF 2015/16 Programme (DRAFT)

Table 1: LSTF 2015/16 Programme Funding Allocations (includes DfT funding and local contributions)

£000s Measure	2015/16 funding	Key project outputs
Workstrand A: Community Smarter Travel Initiatives		
A1: Community Smarter Travel Coordinators and personalised travel planning package		
A1: Continuation of the community smarter travel hubs model across the city/urban area. A minimum of 3x Coordinators will be funded via the City Council's LTP Integrated Transport Block. Assumes £60k LSTF funded local intervention programme per hub area. There are two current providers so funding will be split as £60k for Ridewise and £120k for Sustrans.	180	Initiatives such as personal journey planning, local workseeker support packages, sustainable transport skills development projects and sustainable transport volunteering programme.
A1.2 Continuation of the Mobile Travel Centre infobus. The project is administered in-house.	70	Providing travel information, journey planning, smartcard solutions and cycle/mobility scooter hire services.
A2: Smartcard travel incentives for targeted low income groups		
A2: Providing targeted travel support for eligible job seekers living within the urban area with half price Kangaroo discounted travel package. This project is administered in-house with contributions from local public transport operators.	400	Kangaroo day ticket costs £4 which will be subsidised to £2 using match contributions. The total project including contributions = £850,000. This equates to 212,500 Kangaroo travel days. Based on the 2013/14 trial, there were 46 day tickets sold per passholder. Therefore, 212,500 tickets could support 4,620 passholders.
A3: Community-wide active travel support programme		
A3.1: Bikeability top up for 800 primary school pupils in Year 6 (27% of annual Year 6 pupil population in around 40% of Nottingham schools) in the city. This project will provide funding to Ridewise the local cycle training provider accredited and registered as the official local provider for Bikeability training.	15	To supplement core Department for Transport Bikeability funding (awarded by formula per head of student population). LSTF funding is being used to "top up" the amount needed to support pupils through the Bikeability levels 1, 2 and 3 training. Provision is being made for 27% of pupils in Year 6 = 800 pupils @ £16.50 per head.
A3.2: Continuation of dedicated BikeIT officer to work with 3 new secondary schools citywide and the existing secondary/primary schools. Funding will be provided to Sustrans, the national provider of BikeIT style activities.	60	Delivery of BikeIT style active travel engagement and promotion activities within schools.
A3.3: Continued support for the Ucycle active travel partnership programme in the education sector including continuation of the colleges Further Education (FE) element. Funding will be provided to	70	Support for the three participating FE colleges (Bilborough, Central and New College Nottingham) including bike maintenance services/classes.

£000s Measure	2015/16 funding	Key project outputs
Sustrans who manage the partnership alongside contributions from the organisations and have appointed the FE officer.		
A3.4: Continuation of up to 4 active travel events per year supported by small-scale events. Most activities will be delivered in-house and a small proportion will be shared across key partners, the Sustainable Transport Collective and Sustrans.	65	Provision of participation and engagement activities.
Sub-total: DfT Funding (Workstrand A)	920	
Local Contributions (to Workstrand A)		
A1: Local contribution (European Social Fund/ Nottingham City Council funding)	180	Subject to allocation through the programmes.
A2: Local contribution (NCC Public Transport Contribution to Half Price Travel Offer)	100	Confirmed
A2: Third party contribution (PT Operators contribution to Half Price Travel Offer)	350	Confirmed
A3: Local contribution (Public Health Cycling for All programme)	20	Confirmed
Sub-total: Local contribution (Workstrand A)	650	
Workstrand B: Worksmart Business Support Package		
B1: Bespoke support for individual businesses/groups of employers		
B1: Provide on-site advice and support including employer based events particularly targeted at supporting and enabling business growth. This project will be delivered in-house.	40	Provision of inward investment and relocation travel support packages.
B2: Greater Nottingham Transport Partnership Business Club		
B2: Continuation of the Greater Nottingham Transport Partnership (GNTP) Business Club supporting businesses and employees across the urban area with sustainable commuting. The full allocation will be provided to the Greater Nottingham Transport Partnership to deliver.	120	Through business events, forums and masterclasses and upkeep of business toolkits and online public and business information.
B3: Commuter cycle corridors and networks promotion		
B3: Providing promotional activities (events, print and online communications) including journey planning and supporting design solutions. These elements will be delivered in-house.	30	Promotional support for up to 4 cycle commuter corridors linked to Cycle City Ambition Package.
Sub-total: DfT Funding (Workstrand B)	190	
Local Contributions (to Workstrand B)		
B1: Local contribution (WPL revenue support/Push Pull project match funding)	50	Confirmed
B3: Local contribution (WPL revenue/cycling grants match funding)	40	Confirmed
Sub-total: Local contribution (Workstrand B)	90	

£000s Measure	2015/16 funding	Key project outputs
C1: Programme Coordination/Monitoring and Evaluation		
C1: Programme management in line with the reporting and evaluation requirements set by DfT. Includes extension of Project Support and Transport Communications Officer posts. This will be delivered in-house.	70	Programme coordination, communications and evaluation activities on behalf of LSTF partnership.
Sub-total: DfT Funding (Workstrand C)	70	
TOTAL: DfT Funding	1180	
TOTAL: Local contributions	740	
OVERALL PACKAGE VALUE	1920	

LSTF 2015/16 Procurement Plan

Table 1: Recommended procurement routes for the LSTF 2015/16 initiatives

LSTF Project/Initiative	Recommended procurement route
A1. Community Smarter Travel Hubs (£230k)	Extend current arrangements with local delivery partners Sustainable Travel Collective Ltd and Sustrans. Services were commissioned through the current LSTF programme approved via Portfolio Holder Delegated Decision. Service Level Agreements are in place to monitor cost, time and quality performance.
A2. Smartcard travel incentives for targeted low income groups (£400k)	This scheme is already delivered in-house via partnership arrangements with public transport operators participating in the Kangaroo area scheme. The linked promoters (FE Colleges, Job Centre Plus, Ingeus and A4E) will work with recipients to assess their eligibility. The City Council will process the travel offers.
A3. Community-wide active travel support programme (£210k)	Services to support increased cycling in schools, colleges and universities were commissioned through the current LSTF programme approved via Portfolio Holder Delegated Decision and are delivered by Sustrans and Sustainable Travel Collective Ltd. Agreements with partners will be extended into 2015/16 with existing suppliers. Arrangements will be managed via Service Level Agreements.
B1. Bespoke travel support for businesses (£40k)	Services are delivered in-house through the Transport Strategy team with support provided from the Greater Nottingham Transport Partnership (GNTP) as required.
B2. GNTP Business Club (£120k)	This service is delivered through the GNTP through long standing arrangements and is monitored through annual Service Level Agreements.
B3. Promote commuter cycle corridor network (30k)	Delivered through a combination of channels including in-house and via current deliver partners, Sustainable Travel Collective Ltd and Sustrans.
C1. Programme evaluation (70k)	Current in-house management arrangements will be retained.