

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	4603
Author:	Mark Garlick
Department:	Growth and City Development
Contact:	Mark Garlick (Job Title: Team Leader: Public Transport Operations, Email: mark.garlick@nottinghamcity.gov.uk, Phone: 01158764675)
Subject:	Acceptance of Department for Transport Bus Recovery Grant (BRG) funding
Total Value:	£257,515 (Type: Revenue)
Decision Being Taken:	1) To accept the allocated amount from the Department for Transport (DfT) for the purpose of covering losses where the council takes the revenue risk on a tendered service.2) To delegate authority to the Chief Finance Officer to sign the grant funding agreement from the DfT and to use the money for covering revenue losses on tendered bus services, until passenger numbers and revenue returns to normal levels.
Reasons for the Decision(s)	This is special funding from central government to support bus service recovery, following the pandemic, and until April 2022. Further details of this are in the Final Allocation letter (attached) and the LTA BRG Declaration Form (attached).
Briefing notes documents:	2022.03.03 LTA BRG Declaration form_23 Feb 2022 - signed by C Heaphy.pdf, BRG_20220217 Final allocation LTA BRG Uplift.pdf
Other Options Considered:	There are no other realistic options, other than to accept the funding offered to support bus services in recovery from the pandemic. The funds will cover revenue loss on contract services.
Background Papers:	None
Published Works:	None

Affected Wards: Citywide

Colleague / Councillor Interests: None

Consultations: Those not consulted are not directly affected by the decision.

Crime and Disorder Implications: None

Equality: EIA not required. Reasons: There is no effect on the level of service provided.

Decision Type: Portfolio Holder

Subject to Call In: Yes

Call In Expiry date: 25/04/2022

Advice Sought: Legal, Finance

Legal Advice:

This report seeks authority to accept Government funding to support the Council's loss of revenue. Under normal tendered services the Council receives revenue from passenger fares but this is significantly lower than expected due to the Covid-19 pandemic.

The Government is providing additional bus recovery grant funding to the Council to support its position due to this impact. The Council will be required to enter into a grant agreement with the Government for the funding and must ensure compliance with the terms and conditions to ensure appropriate use.

It is understood that the money will be used for internal allocation against loss of revenue and provided the money is not to be used for other purposes or for external spend, there are no additional procurement or constitutional requirement implications. Advice provided by Dionne Claire Screamon (Solicitor) on 29/03/2022.

Finance Advice:

The Bus Recovery Funding (BRG) has been allocated a new uplift amount following applications to the scheme and the uplift amount awarded to Nottingham City Council is £257,515.

There are conditions attached to the use of the grant and the usage most likely to impact Nottingham is:

b) To cover losses where an LTA, or lower Tier Authority, takes the revenue risk on a tendered service

The amount of loss will be calculated to ensure that the grant is used for the specific purposes only and it is intended to factor this into monitoring. The first allocation of grant has been factored in.

This amount will be paid in Period 6 (9 March 2022)

This grant will support any losses incurred and it is important to ensure at the end of the financial year that any grant not used as intended is clearly accounted for in accordance with grant conditions.

The Section 151 is required to complete a declaration in relation to the use of this funding and this is attached.

Advice provided by Paul Rogers (Commercial Finance Business Partner (G&D)) on 09/03/2022.

Advice documents: 2022.03.03 LTA BRG Declaration form_23 Feb 2022 - signed by C Heaphy.pdf

Signatures

Rosemary Healy (Portfolio Holder Highways, Transport, Cleansing)

SIGNED and Dated: 14/04/2022

Sajeeda Rose (Corporate Director of Growth & City Development)

SIGNED and Dated: 14/04/2022