

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

2542

Author:

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Department:

Development

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Subject:

Assessment of the economic benefits of the HS2 Station at Toton

Total Value:

£51,555 (Type: Capital)

Decision Being Taken:

1. To agree to a consultant, Ekosgen, being appointed to undertake work on the economic benefits of the proposed High Speed 2 station at Toton.
2. To note that Ekosgen has been procured by East Midlands Councils through 'Source East Midlands' on behalf of the members of the East Midlands HS2 Strategic Board, which includes Nottingham City Council, using a process which meets the City Council's procurement requirements.
3. To approve that the full cost of the project, £51,554.06, will be initially funded by Nottingham City Council and reclaimed from the D2N2 Local Economic Partnership in accordance with the Council's financial regulations.

Reasons for the Decision(s)	<p>The East Midlands HS2 Strategic Board have agreed that work needs to be undertaken to maximise the potential benefits of the proposed HS2 station at Toton. The consultancy study will identify the most important economic development activities for the East Midlands that could emerge from fully exploiting the HS2 development at Toton. The study will be undertaken in conjunction with linked site developments and in the context of the local and wider economic progress and drivers likely over the next 15 years. It will identify interventions that are necessary to enable such future economic development activity to emerge and prioritise the actions that are subsequently required.</p> <p>The focus of the study will be in three stages:</p> <ol style="list-style-type: none">1. Identify the range of future economic development activity scenarios at Toton and linked sites, given the change drivers and local progress already evident.2. Identification of which of these scenarios are the most powerful and catalytic economic development activity which HS2 Toton could enable based on an analysis of costs, benefits and risks. This is likely to require in depth analysis drawing on specialist expertise.3. Identify the key prioritised interventions to facilitate optimal economic development outcome across the station's area of influence. It is important to complete the work quickly in order that it can inform the proposed submission to the Government in the Autumn and there is insufficient in-house expertise in this area of research so the appointment of an external consultant now will enable this deadline to be met.					
Briefing notes documents:	20160415 HS2 - Toton brief_summary.docx					
Other Options Considered:	<p>To not complete the consultancy study.</p> <p>This was rejected as it is important to have a strong evidence base in time for proposals to be put to the Government in the Autumn to maximise the economic benefits of the proposed HS2 at Toton and the D2N2 Local Economic Partnership have funding available now.</p>					
Background Papers:	None					
Published Works:	None					
Affected Wards:	Citywide					
Colleague / Councillor Interests:	None					
Use of Consultants	<table><tr><td>Number of Days:56</td></tr><tr><td>Rate per Day:741</td></tr><tr><td>Total value:51555</td></tr><tr><td>Start date:20/06/2016</td></tr><tr><td>End date:30/09/2016</td></tr></table>	Number of Days:56	Rate per Day:741	Total value:51555	Start date:20/06/2016	End date:30/09/2016
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Reason for using a consultant:	There is insufficient internal specialist expertise to undertake this type of research
Other options considered:	Not proceeding with the consultancy has been rejected as the work is needed to support a submission to the Government in the Autumn
Name of consultant:	Ekosgen
Reason for selection?	The procurement process, led by East Midlands Councils, has evaluated tenders obtained via an open procurement portal and the consultant has been chosen on the quality of their submission and value for money. The preferred tender of £41,554.06 is under £50,000 as required by the brief however there is a further £10,000 available should additional in-depth work be required.
Has the consultant previously completed work for the City Council?	This consultant is currently undertaking work which is being managed by the City Council on behalf on the D2N2 LEP.
Specific activities to be undertaken by the consultant are:	<p>The consultant will be expected to produce a vision for how the HS2 station could stimulate economic growth and what are the priorities to maximise this effect and specifically to provide:</p> <p>An assessment of the major, transformative global forces and their projected impact on key sites in the East Midlands in the 2030's</p> <p>An assessment of the local strategic economic drivers in the regions (e.g. Midlands Engine, LEP Economic Strategy, Metro Strategy, Core City Growth Plan) that will shape the local economy in 2030 and identify which of these has the greatest potential to be further escalated by HS2</p> <p>An identification of potential economic outcomes in this context and an analysis of the costs, benefits and risks to each of the opportunities identified</p> <p>The interventions required to enable the opportunities and the economic growth in the East Midlands to be realised and the costs so that they can be compared and prioritised</p>
Period of engagement:	Three months
By what process was the consultant selected?	The procurement process, lead by East Midlands Councils, has evaluated tenders obtained via an open portal and the consultant has been chosen on quality of submission and value for money.
Consultations:	Date: 27/06/2016
	Other City Council Bodies: Consultation with Portfolio Holder
	The Portfolio Holder indicated support in principle as the study includes an exploration of the economic benefits of tram extensions as part of its assessment of HS2 connectivity.
	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	Not applicable

Equality:	EIA not required. Reasons: EIA not required as this is not a new or changing policy, service or function
Relates to staffing:	Yes
Decision Type:	Portfolio Holder
Subject to Call In:	Yes
Call In Expiry date:	29/07/2016
Advice Sought:	Legal, Finance, Procurement, Human Resources
Legal Advice:	The proposals set out in the report raise no significant legal issues and, on the basis of the rationale put forward in the report, are supported. Advice provided by Malcolm Townroe (Legal Services Manager) on 21/06/2016.
Finance Advice:	<p>The decision will incur a cost to the council of £51,555 for consultants to assess the economic benefits of the HS2 station at Toton. The cost is due to be repaid by the D2N2 LEP, therefore the impact on the council is therefore nil. The responsible officers must ensure that the debt is collected from the LEP in a timely manner and that the work is delivered in budget to avoid the costs falling on the council.</p> <p>Advice provided by Julie Dorrington (Finance Analyst) on 20/06/2016.</p>
Procurement Advice:	A open competitive tendering process has been undertaken by the Midlands Connect HS2 Project team to ensure value for money and transparency. Advice provided by John Watson (Category Manager) on 23/06/2016.
HR Advice:	<p>HR support the decision to use consultants to undertake the necessary work required. The skills and expertise required to work on the project do not exist within the Council. The use of Consultants to do this work will not have any impact on any existing employees.</p> <p>Care needs to be taken to ensure that any Consultants used remain working on a consultant basis and do not gain employment status. Advice provided by Makeshya Henningham (Service Redesign Consultant) on 17/06/2016.</p>
Signatures:	<div>Jon Collins (Leader of the Council)</div> <div>SIGNED and Dated: 21/07/2016</div> <div>Nick McDonald (PH for Business, Growth and Transport)</div> <div>SIGNED and Dated: 14/07/2016</div> <div>David Bishop (Deputy CE, CD for Development and Growth)</div> <div>SIGNED and Dated: 06/07/2016</div>