

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:

3473

Author:

Gillian Bradbury

Department:

Development and Growth

Contact:

Gillian Bradbury

(Job Title: Senior Project Manager, Email: [gillian.bradbury@nottinghamcity.gov.uk](mailto:gillian.bradbury@nottinghamcity.gov.uk), Phone: 65261)

Subject:

Transforming Cities Fund and Appointment of Consultants to develop business cases for Net Extensions

Total Value:

£50,000 (Type: Capital)

Decision Being Taken:

1. Approval to accept the grant offer of £50,000 from the Department for Transport (DfT) and to approve its expenditure on the development and preparation of business cases for bids to the Transforming Cities Fund.
2. Approval for the Director of Major Projects to appoint professional advisers and specialist consultants in accordance with the Council's procurement procedures and financial regulations.
3. Approval for the Corporate Director of Development and Growth to invite and accept tenders for the supply of services to the Council (consultants) and enter into a contract with the supplier of the most economically advantageous tender.

**Reasons for the Decision(s)**

The City Council, in a joint bid with Derby City Council, is one of 12 Local Authorities shortlist by Government for the £1.3bn Transforming Cities Fund (TCF). The Government is looking for the TCF to fund packages of measures based on sustainable transport, and the initial Expression of Interest set out a strategy to improve productivity and economic gain by enhancing connectivity to key development sites across the region.

The TCF is made up of two stages. Bids for 'quick win' schemes (with a value up to £10m in total for both Authorities) were submitted in early January 2019, whilst bids for more significant transport improvement schemes are expected to be submitted in Summer 2019. 25% of the funding from the TCF is available in this and the next two financial years (2019/20 & 2020/21), with the remaining 75% being made available in the 2021/22 and 2033/23 financial years.

The DfT has also allocated £50,000 in 2018/19 financial year to support the preparatory work for funding bids. This money has been received by Nottingham City Council on behalf of the joint bidders.

As mentioned previously, the 'quick wins' bid was submitted in early January 2019 and focused on:

- 1) Smart bus corridors, broadly based on the bus corridors between the two cities (also taking in East Midlands Airport and the East Midlands Gateway area) and incorporating a targeted smart interchange, real time information, smart ticketing and bus priority measures at junctions.
- 2) Continuation of 'Cycle Ambition' type measures to better link up our networks and improve active travel links to growing employment and new housing areas in both cities.

The bid documents can be viewed at <https://www.transportnottingham.com/policies/transforming-cities/>

It is anticipated that NET extensions will feature prominently in measures put forward for the main package. A Strategic Outline Business Case looking at potential options is underway and this will provide greater clarity on potential route options by the middle of February 2019. However, given the timescales which require TCF funding to be spent by April 2023, it is necessary to start preparations for network extension development work as soon as possible, to ensure the Council is ready to commence work as soon as funding becomes available.

In order to do this, it will be necessary to procure a shortlist of professional advisors and specialist consultants covering commercial, financial, project management, engineering / environmental, economic, legal and land referencing. It is proposed that the consultant firms be appointed by the Director of Major Projects in accordance with the current Corporate procedure and in consultation with Councillor Dave Liversidge, the Portfolio Holder for Transport and HR.

With approval, we will undertake specialist business development work up to the value of the funding we have received from the DfT (£50,000). Further approvals will be sought once additional funding has been secured to undertake further detailed work on developing TCF schemes including NET Extensions, Smart Bus Corridors and Cycle Ambition measures.

**Other Options Considered:**

Develop the business cases internally - this option is not applicable as we do not have the relevant expertise internally to enable us to develop tram based / light rail strategic outline business cases in accordance with HM Treasury's 'Green Book'.

Do nothing - this option has been rejected as it would result in the loss of additional external funding. The Transforming Cities Fund is worth £1.3bn and we are one of 12 Authorities that have been shortlisted to bid for this fund.

<b>Background Papers:</b>	None
<b>Published Works:</b>	None
<b>Affected Wards:</b>	Citywide
<b>Colleague / Councillor Interests:</b>	n/a
<b>Use of Consultants</b>	<b>Number of Days:125</b> <b>Rate per Day:0</b> <b>Total value:50000</b> <b>Start date:01/03/2019</b> <b>End date:28/06/2019</b>
<b>Reason for using a consultant:</b>	The development of a outline business case for future NET extensions, that is fully compliant with requirements set out in the HM Treasury Green book, will require significant technical knowledge and we do not have this skill-set internally.
<b>Other options considered:</b>	The work to develop the business case for NET extensions cannot be progressed without the use of consultants as we do not have the required technical skill-set internally. We are one of 12 Councils who have been shortlisted, and are eligible to bid for funding from the Transforming Cities Fund which is worth £1.3 billion. Not putting in a major transport improvement scheme bid risks the economic and environmental benefits of high quality transport links and the benefits from developments in the Greater Nottingham area will not be realised.
<b>Name of consultant:</b>	Will be selected through a procurement exercise
<b>Reason for selection?</b>	No consultants have been selected at this stage. Will be selected through a procurement exercise.
<b>Has the consultant previously completed work for the City Council?</b>	We will be undertaking a procurement exercise with colleagues in Contracting and Procurement to select the consultants. The rate per day will be known on completion of the procurement exercise.
<b>Specific activities to be undertaken by the consultant are:</b>	<p>The specific activities to be undertaken by the consultants will include (but not be limited to):-</p> <p>Transport modelling including undertaking sensitivity tests for the business case  Development of business case in accordance with HM Treasury's 'Five Case Model' which views proposals from the following 5 interdependent dimensions - strategic, economic,financial, management and commercial  Development of Transport inputs to Environmental Assessment including air quality, noise and traffic information and socio-economic inputs</p>

<b>Period of engagement:</b>	<b>The Council have provided £50,000 of funding to support preparatory work for TCF bids. In the first instance we will work up to this value and will seek further approvals once we receive more funding</b>
<b>By what process was the consultant selected?</b>	<b>We will be undertaking a procurement exercise with colleagues in Contracting and Procurement to select the consultants.</b>
<b>Consultations:</b>	<b>Those not consulted are not directly affected by the decision.</b>
<b>Crime and Disorder Implications:</b>	<b>The work will ensure that scheme designs for transport improvements place a high priority on personal safety and improving the quality of life for communities and citizens.</b>
<b>Equality:</b>	<b>EIA not required. Reasons: EIA not required. Reasons: An EIA is not required because the work activity will consider equality issues, addressing social issues with inequalities and low car ownership remaining in the Study area. The work will in particular focus on improved travel to work options to nexisting and proposed employment sites, and improved public transport to main centres of work, leisure, shopping and access to key facilities.</b>
<b>Social Value Considerations:</b>	<b>n/a</b>
<b>Relates to staffing:</b>	<b>Yes</b>
<b>Decision Type:</b>	<b>Portfolio Holder</b>
<b>Subject to Call In:</b>	<b>Yes</b>
<b>Call In Expiry date:</b>	<b>02/04/2019</b>
<b>Advice Sought:</b>	<b>Legal, Finance, Procurement, Human Resources</b>
<b>Legal Advice:</b>	<b>If not already in place it is advisable to have an agreement with Derby City Council to set out the terms of the joint bid and delivery arrangements. This is particularly important where Nottingham acts as the lead accountable body. The appointment of consultants should be made in accordance with Financial Regulations. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 07/02/2019.</b>

**Finance Advice:**

The financial risk to the Council is mitigated due to the grant conditions meaning the £50k is for feasibility / development and therefore not at risk of being clawed back by the DfT. The Director of Major Programmes is responsible for ensuring the grant is spent in accordance with its conditions and the project remains within budget.

The capital programme will not be amended following this decision as it is for development of business cases, therefore all expenditure and grants are to be accounted for in revenue.

Advice provided by Tom Straw (Senior Accountant - Capital Programmes) on 11/02/2019.

**HR Advice:**

The proposal to engage consultants due to the specialist nature of the work which is not available in-house is supported. Advice provided by Joanne Hill (Service Redesign Consultant) on 06/02/2019.

**Procurement Advice:**

The procurement team will assist with the tendering process to ensure that a fully compliant value for money contract is entered into. Advice provided by Paul Ritchie (Lead Procurement Officer) on 11/02/2019.

**Signatures:**

Jon Collins (Leader of the Council)

SIGNED and Dated: 26/03/2019

Dave Liversidge (Portfolio Holder for Transport and HR)

SIGNED and Dated: 21/03/2019

Chris Henning (Corporate Director for Development and Growth)

SIGNED and Dated: 20/03/2019