

EXECUTIVE BOARD – 21st May 2019

Subject:	TRANSFORMING CITIES PROGRAMME
Corporate Director(s)/Director(s):	Chris Henning, Corporate Director of Development and Growth
Portfolio Holder(s):	Councillor Dave Liversidge, Portfolio Holder for Transport & HR
Report author and contact details:	Chris Carter, Head of Transport Strategy, chris.carter@nottinghamcity.gov.uk , Tel: 01158763132
Subject to call-in:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Key Decision:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Criteria for Key Decision:	
(a) <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	
and/or	
(b) Significant impact on communities living or working in two or more wards in the City <input type="checkbox"/> Yes <input type="checkbox"/> No	
Type of expenditure:	<input type="checkbox"/> Revenue <input checked="" type="checkbox"/> Capital
Total value of the decision:	£8.345million
Wards affected:	Citywide
Date of consultation with Portfolio Holder(s):	
Relevant Council Plan Key Theme:	
Strategic Regeneration and Development	<input type="checkbox"/>
Schools	<input type="checkbox"/>
Planning and Housing	<input type="checkbox"/>
Community Services	<input type="checkbox"/>
Energy, Sustainability and Customer	<input type="checkbox"/>
Jobs, Growth and Transport	<input checked="" type="checkbox"/>
Adults, Health and Community Sector	<input type="checkbox"/>
Children, Early Intervention and Early Years	<input type="checkbox"/>
Leisure and Culture	<input type="checkbox"/>
Resources and Neighbourhood Regeneration	<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):	
<p>In March 2019 the Department for Transport (DfT) confirmed Nottingham and Derby as one of 10 areas that had been successful in securing funding from Tranche 1 of the Transforming Cities Fund following a successful partnership bid with Derby City Council. The £8.345million grant allocation will enable Nottingham and Derby to deliver a number of projects aimed at improving commuting within the two cities.</p> <p>The purpose of this report is to secure approval to deliver the ‘quick win’ projects that were put forward in the business case. There are two strands of measures. The first is a package of technology projects to help speed up bus journeys and enhance the public transport user experience. The second strand is focused on promoting active travel through improved walking and cycling routes and provision of additional cycle parking facilities to support electric bike hire schemes.</p> <p>The report also seeks approval to bid for further Tranche 2 Transforming Cities Programme funding including the linked Future Mobility Zones Fund.</p>	
Exempt information: State ‘None’ or complete the following	
An appendix to this report is exempt from publication under paragraph number 5 of Schedule 12A to the Local Government Act 1972 because it contains information in respect of which a claim to legal professional privilege could be maintained in legal proceedings and, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in	

disclosing the information, because to do so could adversely prejudice the City Council's negotiations with operators

Recommendation(s):

- 1** To accept the DfT Grant Award of £8.345 million for the delivery of the Transforming Cities Fund: Tranche 1 programme in Nottingham and Derby.
- 2** To approve the project funding allocations in accordance with the Nottingham and Derby Transforming Cities Fund: Tranche 1 programme bid as set out in Table 1 of Appendix B. To also initiate the programme, and delegate authority to the Corporate Director for Development and Growth to make variations to the programme as necessary.
- 3** To approve initiation of the programme, and delegate authority to the Corporate Director for Development and Growth to make variations to the programme as necessary.
- 4** To approve the initiation of procurement activities as set out in Table 1 of Appendix B, and delegate authority to the Corporate Director for Development and Growth to appoint preferred suppliers and contractors to deliver the programme.
- 5** Approve preparation and submission of Nottingham and Derby joint bids for Tranche 2 of the Transforming Cities Fund and Future Mobility Zone Fund for projects running to 2022/23.

1 REASONS FOR RECOMMENDATIONS

- 1.1 On 19 March 2019 the Government announced that Nottingham and Derby had been successful in securing £8.345 million of grant funding to deliver the measures outlined in the Tranche 1 Transforming Cities bid. The bid was accepted in full and acceptance of the grant will enable delivery of two packages of schemes. A copy of the Grant Offer letter is attached as Appendix A.
- 1.2 The programme comprises of the following two packages of 'quick win' schemes that will help improve connectivity, will support growth and drive up productivity, improve access to work including from areas of higher unemployment and help tackle congestion, air pollution and lowering of carbon emissions.

Package 1: Public Transport Technology Projects

Public transport technology improvements along key corridors will better link Nottingham and Derby including the area around East Midlands Airport. The package will help reduce bus journey times and make them more reliable, improve passenger information and make travel payment simpler and more convenient. Specific measures will include:

- Bus traffic light priority at 5 key junctions along the A52/A6200 corridor
- Installation of new real time information screens at key bus stops, workplaces and interchanges
- Smart public transport payment systems to enable purchase of the Robin Hood multi-operator tickets via smart phones
- Upgrade of tram ticket machines to enable contactless payment
- Installation of electric vehicle charging infrastructure at the East Midlands Gateway and public transport interchanges

Package 2: Active Travel Projects

Walking and cycling route and facility improvements to encourage an increase in sustainable commuting. They will also improve access to new employment areas and achieve beneficial, health, environmental and social outcomes.

- Improved access to Nottingham Station and the city centre from the southern cycle corridor
- Integration with new walking and cycling connections with Nottingham's Enterprise Zone
- Improves access between the Beeston Canal and highway network, including installation of lighting under bridges and upgrade to the towpath at pinch points
- Delivery of phase one of the strategic cycling route from Derby to Nottingham along the former Spondon Canal
- Expand the current eBike scheme in Derby, and support a new eBike cycle hire offer in Nottingham.

- 1.3 Further details of the individual projects across Nottingham and Derby to be delivered, their proposed procurement, and specific budget are set out in Table 1 of Appendix B.
- 1.4 Local contributions from third parties totalling £1.485 million will complement the programme and as set out in Appendix C.
- 1.5 An initial bid for funding from Tranche 2 of the Transforming Cities Fund is in preparation. Co-development with the DfT of a potential programme of measures is taking place including mass transit scheme options, improved access to Nottingham Station, investment in further smart bus technology measures, and active travel schemes (being prioritised through a Local Cycling Walking Improvement Programme process). Consultation on the preferred package will take place once priorities have been identified.
- 1.6 As one of the city regions included in the Transforming Cities Fund, Nottingham and Derby will also bid for additional funding to support the development of a Future Mobility Zone. A joint proposal is currently being developed with final detail of the bid to be confirmed.

2 **BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

- 2.1 In November 2017 the Government announced the £1.7billion Transforming Cities Fund programme. Focused on intra-city connectivity, the programme aims to improve productivity and prosperity through investment in public and sustainable transport, improving transport links and promoting local growth. The DfT confirmed that funding would be allocated in two tranches. Tranche 1 is focused on the early delivery of 'quick wins', with Tranche 2 supporting more comprehensive measures to be delivered between 2020/21 and 2022/23. Details of the fund can be found at: <https://www.gov.uk/government/publications/apply-for-the-transforming-cities-fund>.
- 2.2 A Nottingham and Derby joint expression of interest was submitted in June 2018. This resulted in the two cities being shortlisted as one of 10 city regions to develop their proposals for detailed assessment. A Tranche 1 bid was submitted in January 2019 and in March, the DfT confirmed that the Nottingham and Derby bid had been

successful. Full details of the Nottingham and Derby submissions can be found at: <https://www.transportnottingham.com/policies/transforming-cities/>.

2.3 The Nottingham and Derby area is one of 12 city regions now eligible to bid for further Tranche 2 funding. Project leads from Nottingham and Derby City Councils are continuing to work together to develop a robust Tranche 2 bid that will further enhance connectivity to, and between both cities, East Midlands Airport area and other similar employment growth areas such as the Enterprise Zones. The DfT requires a draft programme to be submitted in June 2019 and Full Outline Business Case in November 2019.

2.4 In March 2019 the DfT announced that an additional £90million would be made available to create up to four Future Mobility Zones, aimed at providing globally significant demonstrators for transport innovation. Of this fund £20million has already been allocated to the West Midlands to help develop the concept of Future Mobility Zones. Expressions of Interest are now being invited from Transforming Cities eligible areas for the remaining £70 million. Funding will be allocated over a four-year period from 2019/20 to 2022/23. Expressions of Interest are due to be submitted in May 2019, with full bids to be submitted later this summer. Further details of the Future Mobility Zones Fund is available at: <https://www.gov.uk/government/publications/future-mobility-zones-fund-competition-process>

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

3.1 Two alternative options to those recommended were considered. The first was to reject the funding awards and the second was to vary the programme proposals from those submitted in the bids were considered.

3.2 The funding will enable the quick delivery of a number of public transport and cycling improvements, which would be of benefit to citizens. The option to refuse the grant funding was rejected as it would mean the council is unable to deliver the transport improvement projects included in the bid, which would not be in the best interest of citizens.

3.3 The option to vary the programme was rejected to ensure the City Council remains compliant with the terms and conditions of the funding awards. Both options would potentially adversely affect the Council's reputation as a leader in local transport delivery.

4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

4.1 This grant was the first tranche of the Transforming Cities fund and was initially for relatively 'quick win' projects. Although there is no defined delivery date it is expected that the majority of the projects which make up the bid will be delivered this year.

4.2 The full £8.345m grant has already been received following the successful Transforming Cities bid and the spend profile on the approved projects was part of the initial bid information submitted – therefore the spend has already been determined. Some of this funding will be allocated to Derby and some to Nottingham projects – with Nottingham City Council acting as the Lead Partner.

- 4.2 The Local Contributions outlined in Appendix C supported the initial bid but are not required as match funding.
- 4.2 There is no risk of clawback of the grant although the delivery of the projects according to the bid will be evaluated – with further allocations impacted should the projects not deliver.

Susan Tytherleigh, Strategic Finance Business Partner 3 May 2019

5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

- 5.1 Legal Comments are provided in Exempt Appendix E .

Andrew James, Team Leader – Commercial, Employment and Education, 8 May 2019.

- 5.2 Procurement colleagues will assist with any tendering exercises that arise from acceptance of this funding.

Paul Ritchie, Lead Procurement Officer, 8 May 2019.

6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE)

- 6.1 Not applicable

7 SOCIAL VALUE CONSIDERATIONS

- 7.1 Local suppliers will be notified of any tendering opportunities that may arise from the acceptance of this funding.

8 REGARD TO THE NHS CONSTITUTION

- 8.1 Not applicable

9 EQUALITY IMPACT ASSESSMENT (EIA)

- 9.1 Has the equality impact of the proposals in this report been assessed?

No

An EIA is not required because:
(Please explain why an EIA is not necessary)

Yes

Attached as Appendix D, and due regard will be given to any implications identified in it.

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

10.1 N/A

11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

11.1 The Nottingham Derby Transforming Cities bid is published at <https://www.transportnottingham.com/policies/transforming-cities/>.

11.2 The DfT supplementary guidance for shortlisted city regions is published at <https://www.gov.uk/government/publications/apply-for-the-transforming-cities-fund>.

11.3 Details of the DfT's Future Mobility Zones Fund: competition process are published at <https://www.gov.uk/government/publications/future-mobility-zones-fund-competition-process>